

The NATIONAL UNDERWRITER

Life Insurance Edition

INS. LAB.

GAINS IN 1935 B-40



- ★ **Gain in Insurance in Force:** This important item increased \$6,253,000 and now stands at \$589,864,000. This is in excess of the amount in force on December 31, 1929.
- ★ **Increase in Assets:** Assets increased nearly \$16,000,000—a larger gain than in any previous year. Total of \$195,000,000 represents a 40% gain in last six years.
- ★ **New Record for Premium Income:** With an increase of \$1,200,000 over 1934, the premium income was the largest in the 85-year history of the Company.
- ★ **Increase in Surplus:** \$833,000 was added to surplus, bringing the total to \$6,651,000. In the last two years, surplus has increased \$1,829,000.
- ★ **Conservative Values:** The Company invests its funds in accordance with the sound laws of Connecticut, and has followed conservative standards in the valuation of its assets. Take, for example, the bonds listed at their amortized value in the annual statement: On December 31, 1935, the market value exceeded their amortized value by \$1,903,000.



The full text of the President's report and the Company's latest Financial Statement will be sent to you on request.

PHOENIX MUTUAL LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

FRIDAY, MARCH 13, 1936

DEFINITION:



A Shield:

A frame or rounded plate made of wood, metal, hide or leather,

carried by warriors on

the arm or in the hands, as a protection and defense.

To Shield: Protect, defend or shelter from danger, calamity, distress or annoyance.

These are the fundamentals of

The **Shield** Company

THE NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY, INC.

IN FORCE IN 1936: **\$455,993,873**
IN 1932: **\$308,255,850**

1936 its greatest year, as indeed, each succeeding year since 1932 has seen the volume of Life Insurance in force swept to historic new levels. . . .

GROWING GREATER EVERYDAY

The **NATIONAL LIFE AND ACCIDENT Insurance Co., Inc.**



HOME OFFICE, National Building, NASHVILLE, TENN.
C. A. CRAIG, Chairman of the Board, W. R. WILLS, President



THE SHIELD COMPANY



A Knight in Armor

There is romance in life insurance selling. A true minstrel might sing the saga of the fieldman — building security, dispensing comfort, easing sadness. In it, no man could fail of inspiration.

The humane mission of life insurance is one that General American Life men and women know and cherish.

GENERAL AMERICAN LIFE INSURANCE COMPANY
WALTER W. HEAD, PRESIDENT

Saint Louis, Missouri

Life • Salary Savings • Group
Accident and Health

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Fortieth Year—No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 13, 1936

\$3.00 Per Year, 15 Cents a Copy

Special Class Is Profitable Field

Higdon of Business Men's Assurance Emphasizes Importance of Sub-Standard Business

ADVANTAGES TO AGENTS

They Now Have Access to Commissions on Contracts Not Written Until Recent Years

KANSAS CITY, March 12.—Today more than ever the general public has not only been thoroughly converted to the ownership of insurance, but companies have greatly broadened the service they offer, according to J. C. Higdon, vice-president in charge of sales for the Business Men's Assurance. Protection on under-standard risks is accepted as a matter of course by many of the newer men. Yet until recent years life companies had only one class and rate—the standard. Salesmen of former years were unable to offer protection at an increased rate, and had not the opportunity of earning many substantial commissions possible to the present day salesmen.

Rating an Advantage

"Certain ones seem to feel that this policy of rating an applicant according to his insurability inflicts a penalty instead of conferring a benefit upon him. They somehow forget how much more fortunate for them to be privileged to offer protection at an advanced rate, rather than to decline entirely.

"Certain members of sales forces, on the other hand, accept whatever rating is applied to the contract issued and deliver a very high percent without apparent difficulty. Other salesmen are seldom satisfied where the contract has been issued special class, frequently wasting much time in attempting to convince the company the rating is unnecessary. They usually fail in the end to deliver the insurance and earn the commission."

Mr. Higdon outlines some of the principles and methods followed by those who have been most successful in this respect:

Principles and Methods

1. First, and of paramount importance, is the attitude of the salesman himself. If he permits himself to question the correctness of his company's decision and feels that an injustice is being done his applicant, he is doomed to failure in advance. He must realize that his company desires the maximum volume of business and has no reason to risk reducing that volume by arbitrarily applying a rate not justified by all the facts in its possession.

He must realize further that since the applicant has been found to be under standard, his need of the protection is all the greater and it is fortunate for all

(CONTINUED ON PAGE 15)

Sales Ideas by Producers

Equitable of New York Agents at Chicago Describe Successful Methods at Clinic Sponsored by Association

Featuring the theme "Sales Ideas That Sell," agents of the Equitable Life of New York at Chicago analyzed their production methods in the second of a series of sales clinics there sponsored by the Chicago Association of Life Underwriters. The program was coordinated by W. M. Rothaermel, superintendent of agencies Equitable Life at Chicago, who introduced the speakers and revealed some of the high lights of their personal production records.

L. H. Walters, Samuel Lustgarten agency, produced a volume of \$305,452 in 1935, representing \$15,220 in premiums and 24 cases. He emphasized the value of selling agents an idea, rather than the prospect, and drawing from his personal experience gave a thorough analysis of the important elements involved in his own production. He gave interesting figures on the number of calls and interviews, various types of prospects, time spent in selling, ratio of men and women and divided his production into age and salary groups, size of policy and time spent. He stressed the necessity of conserving time in prospecting, urging agents to see enough people, the right kind of people and to say the right thing when seeing them.

Prospect is Analyzed

The type of prospect he himself can best sell was described by R. C. Nichols of the Warren V. Woody agency, whose volume for 1935 was \$315,395, representing \$11,263 in premiums and 56 cases. In addition, Mr. Nichols was in charge of a unit which paid for \$1,942,000 in volume in nine months. He stated the greatest success in his own production was achieved with a prospect between 30 and 45 years of age, married, having children and possessing a fairly good job. He said his method was to concentrate on the needs of the prospect and in this connection pointed out the value of a planned estate program and the method of adapting it to suit those needs. Mr. Nichols described details of handling an interview, explaining that it was his practice to draw the prospect into the discussion with questions which required an affirmative answer. He also detailed various methods in closing, stating his personal experience had proved the success of using a human interest story of some type.

Methods of Approach

Methods of approach that he has successfully used and three concrete sales ideas featured the talk given by R. H. Reno, Jr., of the Walter L. Gottschall agency, whose volume was \$538,409, with \$19,458 in premiums and 21 cases. Mr. Reno also supervised a unit which produced over \$2,000,000 in 1935. He suggested three methods by which the value of life insurance could be successfully demonstrated to the prospect. One is to ask the prospect what he would consider to be a fair rate of interest if he were to place \$5,000 in the safety deposit box in a bank, to be given to his wife at his death. A comparison of this income with the benefits of a life insurance policy can be very effectively used.

Another method will meet the objection of the prospect because of the hazard of a salary cut. The agent can clearly and conclusively demonstrate that whereas the prospect may be faced with a salary cut of only 20 percent, his wife, in the event of his death, may be faced with an 80 percent cut or more in her income.

Mr. Reno also urged agents not to overlook the possibilities offered by the payment of the war veterans' adjusted bonus certificates. He suggested selling the idea to the veterans of supplanting their depleted estates, but expressed caution in advising them to cash in their certificates simply for the purpose of buying life insurance. He pointed out the danger of over-zealousness in soliciting veterans, thus involving life insurance to a degree which approximates racketeering.

Veteran Producer Gives Views

The last speaker, J. E. McNamara of the Courtenay Barber agency, has been associated with the Equitable Life since 1908 and a producing agent since 1919. Since that time he has averaged more than \$750,000 per year, his volume last year being a little over \$1,000,000, with \$45,000 in premiums and 60 cases. He dwelt briefly on the economic values of

(CONTINUED ON PAGE 15)

G. S. Van Schaick Elected N. Y. Life Vice-president



GEORGE S. VAN SCHAICK

George S. Van Schaick, well known Rochester, N. Y., attorney who retired last year as New York insurance superintendent after a brilliant career in public office, has been elected vice-president of the New York Life. Mr. Van Schaick was born July 25, 1883 in Cobelskill, N. Y. He was educated at St. Lawrence University, graduating in 1905, and took

(CONTINUED ON PAGE 24)

Surplus Tax Only on New Earnings

Insurance Companies and Banks to Be Exempted, According to Congressional Leaders

CAN'T TOUCH OLD FUNDS

Small Stockholders Will Gain Unless They Are Reached by Changes in Rates

By JOHN F. WOHLGEMUTH

Secretary The National Underwriter

Newspaper confusion has led many people to suppose that the new tax proposal announced by the President will force corporations to distribute to shareholders the surpluses already accumulated, or submit to a tax of 20 to 40 percent, and averaging 33 1/3 percent, on such surpluses. It is odd that many newspapers and even men in the public eye, have discussed the proposal from this erroneous viewpoint.

The proposal as actually made public would not go back of Jan. 1, 1936, in the tax on surplus. The proposal is to tax only that part of a corporation's current earnings that it fails to pay out in dividends to stockholders during the taxable year. In effect it would prevent a corporation from holding its earnings in the future in order to save big shareholders from heavy surtaxes on their individual incomes, but there has been no proposal affecting surpluses already accumulated.

Exempt Insurance Companies

While the President spoke of no exceptions, leaders in Congress have indicated that the surplus tax would not be imposed blindly. The chairman of one committee suggested that banks and insurance companies would not be subject to the surplus earnings tax, in other words that they would be allowed to accumulate surplus without incurring a tax penalty. Another Washington dispatch was less broad and suggested that the life companies would be the only ones exempted, along with the banks. The bill is not yet written and it is hard to believe that it will fail to exempt all insurance companies. Fire and casualty rates are based on a 5-year "swing." If the companies cannot save their earnings in good years, in order to strengthen themselves for the bad ones, the chief sufferer will be the public.

Presumably insurance companies and banks will remain under the present income tax law. That is, they will not be excused from taxation on earnings. They will be properly treated if they pay the ordinary tax on incomes and are allowed to accumulate as much surplus as they can.

Small stockholders in ordinary corporations apparently will benefit by the new proposal. Every corporation, with minor exceptions, now pays from 12 1/4

(CONTINUED ON PAGE 24)

Practical Selling Problems Are Taken Up in New York Sales Congress

NEW YORK, March 12.—New faces and new selling slants marked the program of the sixteenth annual all-day sales congress of the New York City Life Underwriters Association here today. Most of the 17 life insurance men who spoke had never taken part in a previous sales congress and none had appeared in a sales congress program here in the last four years.

This year's gathering was of particular interest, as it marks the New York association's 50th anniversary, which was celebrated at the annual banquet this evening.

Practical Tips on What to Do Feature Sessions

The sales congress committee, headed by C. P. Dawson, production manager Beers agency, New England Mutual Life, held closely to its plan of confining the meeting entirely to practical selling problems of the field man. Speakers concentrated on prospecting, presentation and closing strictly from the "what to do about it" angle. Time control and other subjects less immediately linked with the actual sale were relegated to the background for the time being.

Harry Pope, agent Mutual Benefit, Boston, the first speaker introduced by Mr. Dawson, came through with "stories that help the salesman," according to schedule. The stories proved to be humorous but helpful to salesmen. Mr. Pope got over pointed sales philosophy, its effectiveness heightened by his witty presentation.

Prospecting Clinics and Presentation Discussions

The rest of the morning was taken up with prospecting clinics from 10 to 11 and presentation clinics from 11 to 12, each given in three group sessions, package selling, program selling and specialty selling, such as taxes or business insurance.

Clinics on closing followed the same three-fold pattern during the first part of the afternoon. All except the specialty selling clinics were conducted by two leaders, after which there were informal discussion periods. At each group session, four participants were asked in advance to comment briefly on the subject under discussion.

Successful Selling Phrases Subject of Two Speakers

Concluding the afternoon session, Elmer Wheeler, president and founder Tested Selling Institute, New York City, described the use of selling phrases that have been proved successful in selling various types of merchandise. He was followed by Osborne Bethea, general agent Penn Mutual, New York City, who demonstrated the use of similar sentences in overcoming resistance to the sale of life insurance.

The sales congress was opened by Glenn B. Dorr, president New York association, agency assistant McMillen agency, Northwestern Mutual Life, and recently appointed, effective June 1, as general agent for that company in Connecticut.

PHRASEOLOGY VITAL

What the right selling sentences will do to boost sales of any commodity was described by President Wheeler of the Tested Selling Institute. "If there is a certain best way to sell a piece of merchandise, why not give everybody the benefits and the advantages of it?" he asked. "Since you must say something to your prospects, why not take advantage of science and help take the guess

and gamble out of what you are going to say? Why gamble with unknown phraseology?"

He emphasized that no matter how brilliant a sentence may look it must be tested on thousands of customers before it can certainly be said to be effective. By keeping records as to the relative effectiveness of various sentences, it is possible to tell with mathematical precision which sentences are better than others, he said.

Standardized Principles of Selling Are Advocated

Standardized, simplified applications of successful selling principles were given by A. G. Correll, general agent New England Mutual Life, Brooklyn. Standardization—not, however, in the sense of a canned talk, means perfection, he said, while prospects who are busy, successful men demand simplification and many agents fail to close more business than they do because their presentations are too lengthy and involved.

Among principles stressed by Mr. Correll were:

"1. We should keep in mind that there is no definite time in the interview when we can say, 'this is the time to close him.' Actually we begin to close the first time we meet our prospect. 2. If on the second interview appointment the prospect is found to be busy, it is better to let him complete his task, even though it may take 10 or 15 minutes, so as to have his undivided attention. 3. The proposal should be kept simple, preferably confined to one page, which itemizes his insurance, including the proposed coverage, and distribution for various contingencies, including retirement, if the prospect has shown interest in this.

Other Suggestions for Agent During Interview

"4. Make it easy for him to buy. Use of a premium calendar is always helpful in avoiding serious overlapping of premiums. If finding money is a problem, use dividend accumulations. Temporary term is an effective close when there is assurance of more money shortly. 5. Make it hard for the prospect not to buy, by using human interest stories and

emotional appeal. 6. Stay with your prospect long enough. It is recognized that the mind travels through positive and negative swings during the selling process. 7. Be sure to radiate confidence and enthusiasm. No sale has ever been made without one or both of these attributes."

A number of effective selling sentences that have proven their worth to life insurance agents were given by Osborne Bethea, general agent Penn Mutual Life, New York City.

"If, at the beginning of the sale, the prospect says, 'I cannot afford any more life insurance,' you could say, 'Well, Mr. Prospect, since you don't expect to buy any more life insurance today, anything I say must necessarily be in your interest and not mine. That's true, isn't it?' Or, you could say, 'Is your life insurance arranged so that your wife and children will never be without it?'"

"Another interest arouser and potent opening statement is: 'Mr. Prospect, there are four ways of producing \$100 a month for your wife for life. One method requires \$30,000, the second \$23,000, the third \$18,000, and the fourth \$10,000. My job as a life insurance architect is to see which one of these four methods best suits your needs. Furthermore, there are four ways of guaranteeing you \$100 a month at 65, and all of these are related to the provisions for income to your wife. My success in underwriting is only a proper balancing and combination of these two basic principles. You would like to check your plans in this way, wouldn't you?'"

"In the sale of family income, these phrases have proven helpful:

"Mr. Prospect, you would be interested in seeing a method of measuring the very least amount of insurance a man should own, wouldn't you? Here is a sentence that clicks when the prospect says he is creating an emergency fund in a bank. 'Mr. Prospect, no financial emergency you are likely to encounter will ever be anything like the emergency your wife will have to face the day after you are gone. That's so, isn't it?'"

"Sometimes it is necessary to jump instantly from family income to retirement income. One sentence is needed to make the transition, and here it is: 'Mr. Prospect, you have been very unselfish to consider only what this will do for your family; let's see what it will do for you?'"

Closing Package Sale Is Discussed by James Eyre

Closing the package sale was discussed by James Eyre, Mutual Benefit, New York City.

"The closing of any sale is incidental," he said. "It's the beginning of that sale that is important. You close the sale before you see the man you are going to sell—by enthusiasm, for instance."

"There are many package sales that will pull you out of that slump you are in. We all get there some time. There was one that I believe kept me in the business. Simple as a night shirt. It made \$1,100 for me. It did better than that. It put 78 of the most valuable clients that I have on my books today. They are kids from 10 to 18 years old. I don't know many of them. In fact I haven't seen a dozen of them. There is the idea, a dime bank. You're all seen it. Childish, but the fathers of those kids were childish, too. I wrote down the names of everyone whom I knew had children, including my sisters, brothers, cousins, everyone. I got quit an imposing list. They bought ordinary life, 20 payment life, 10 year endowment, 20

Group Sessions Valuable

Worthwhile Suggestions on Various Angles of the Selling Job Are Given at New York Sales Congress

NEW YORK, March 12.—Suggestions of great value to the men in the field on effective methods to use were given by various experienced salesmen in the group sessions at the sales congress held here. The range of subjects in these gatherings was most complete, covering every angle of the life insurance selling process.

Beside insurance for clean-up, monthly income and retirement income, a number of other and less usual "package" coverages and methods of getting prospects for them were outlined by W. J. Blackwell, assistant general agent Penn Mutual Life, of this city, and leader of Group A on "Prospecting for Package Selling."

Among the latter uses for life insurance he listed father-and-son, Christmas gift, birthday, vacation, grandfather-and-grandchild, mortgage, charity and institutions and taxes. The retirement income, he noted, is often a good opener, as it appeals to a selfish interest that everyone has, and even though that form should not be the prospect's principal interest, the way is opened to discuss what he is interested in.

Various Prospect Sources Suggested by Blackwell

Educational: Sources include policyholders, references, newspaper items, trade journals, club papers and published lists. For children from 10 to 20 years old, father-and-son insurance is a saleable package on a "partnership" approach, as each enjoys the idea of a partnership with the other.

Christmas: Policyholders and cold canvass prospects are good sources of business for this coverage in November and December. It lends itself particularly to cold canvass as it has sentimental appeal and is timely.

Birthday: Can be used where agent knows the day on which the wife's birthday falls. A timely suggestion is very apt to be given consideration. Also good where the children's birthdays are known.

Vacation: Applies particularly for a man to provide his wife with a vacation fund, each year during her lifetime.

Sources are policyholders, references, trade journals, club papers, published lists, registration lists, and cold canvass.

Grandfather: The grandfather can be approached on providing either a Christmas gift or birthday policy for his grandchild by which the grandchild will remember him as long as the child lives.

Mortgage: Applies particularly to homebuyer but can also be used as a business proposition where buildings have been bought for investment or business purposes. Records of mortgages are in newspapers and in city hall records.

Charity: One of the best sources of prospects is the newspaper, although where a man wishes to specialize in this form of insurance, there are many lists available showing those who contribute to the different charities and institutions.

PROGRAM SELLING

Since only 15 percent of the nation's ordinary life insurance is estimated to be arranged on settlement options, an effective prospecting method is to set up programs for the 85 percent of policyholders who have a definite, if not a desperate need for a life insurance program, said Lewis Sprague, general agent Provident Mutual Life, New York, who conducted the Group B session on "Prospecting for Program Selling."

"Program selling will not replace the value of reference prospecting, the necessity for expansion of personal contacts or the advantages of third party influences," he said. "I do believe, however, that once you have performed this service for a prospect you will find him much more willing to help you reach others who will be interested in a similar service. I believe we will enjoy a constantly increasing prestige among those to whom our work is known until we reach the happy situation where the creation of an opportunity to interview people under favorable circumstances will no longer be a problem."

With an established need for such a service among 85 percent of the policy-

(CONTINUED ON PAGE 10)

(CONTINUED ON PAGE 12)

New York Life Head Writes Reminiscences



THOMAS A. BUCKNER

President Thomas A. Buckner of the New York Life has started a series of articles in the "Nylc Review," the company's field magazine, entitled "Leaves from a Scrap Book." The first appears in the March issue, recounting his earliest days in the business. At the age of 15 he entered the service of the company as an office boy in his father's agency at Milwaukee at a salary of \$20 a month. This was April 7, 1880. His father had gone to Milwaukee several months before to organize an agency for the New York Life and needed an office boy. The Buckners were living at Independence, Mo. There were five children and Thomas A. was number three. The father was sending \$50 a month to the support of the family for the mother and five children. As Mr. Buckner remarks, "It was plenty and we had plenty." When Thomas A. went to Milwaukee to take the \$20 a month job, he found that board, lodging and laundry and a few incidentals ate up the entire \$20 so his father agreed to loan him \$1 a week for pocket money. Mr. Buckner is an entertaining writer and his reminiscences will be perused with interest.

Canadian Interest Earnings

TORONTO, Mar. 12.—Annual statements show decreased rates of interest earnings for 21 companies and increased rates for seven companies, the latter group being made up of: North American, Northern, Ontario Equitable, Sovereign, Sun, Saskatchewan and Western. The two highest rates for 1935 were 5.92 per cent for the Commercial Life, of Edmonton, Alta., and 5.90 per cent for the Monarch Life, of Winnipeg. The lowest was 4.11 for the Sun which, however, compared with 4.06 per cent for 1934 and with 4.08 per cent for 1933.

Fete N. J. Association

NEWARK, March 12.—A luncheon was given members of the Life Underwriters Association of northern New Jersey here by officers of the Fidelity Union Trust Co. of Newark. This was the first gathering of its kind since 1933. Following the luncheon, President John E. Clayton of the life association presented a testimonial to John Batcheller, president of the trust company, for his excellent cooperation with the association. President Batcheller stated the trust company had \$32,000,000 in life insurance trusts and declared that business was ready for an upward trend. Other speakers were Thomas McCarter, president Public Service Corporation, George B. Cutten, president of Colgate University.

Research Bureau Appoints Jamison and Mathus Aides

SECURED FROM HOME OFFICES

Men Experienced as Well in Field to
Take Up Important Work
at Hartford

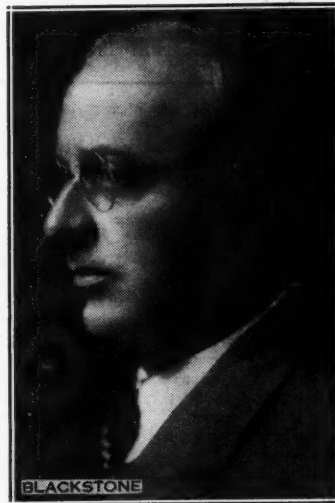
Two important appointments have been made on the staff of the Life Insurance Sales Research Bureau—J. H. Jamison, agency assistant Phoenix Mutual at the home office, and K. H. Mathus, supervisor of publications Connecticut Mutual. The appointments are in line with the bureau's policy of securing men trained either in home office or field. Mr. Jamison has entered upon his duties and Mr. Mathus will do so April 1.

Mr. Jamison, a Yale graduate of 1925, became general manager of the Graphic Arts Company, Hartford, a photo-engraving and direct mail advertising concern. In 1932, he entered life insurance business as a salesman at Boston for the Phoenix Mutual, and in 1933 became supervisor in the Pittsburgh branch, and later at New York. He was made agency assistant at the home office in 1935, and has been much in the field. He will do consultation work with home offices on agency management problems and assist in conducting the bureau's two-week schools in agency management.

Mathus' Experience

Mr. Mathus, a Brown University graduate of 1922, started in newspaper and advertising agency work, then joined the Providence agency of the Penn Mutual and later became advertising manager United Life & Accident, Concord, N. H. In 1923 he entered the Connecticut Mutual's agency department in advertising

Goes with Bureau



K. H. MATHUS

K. H. Mathus, supervisor of publications Connecticut Mutual, has resigned effective April 1 to take an important post with the Life Insurance Sales Research Bureau of Hartford, editing the "Manager's Magazine" and other publications, and lending his broad knowledge of field problems.

and sales promotion work. He has edited "ConMuTopics."

He is well-known as a writer on business problems, and is the author of three books on life insurance selling, emphasizing the importance of the graphic and visual sales aids. His writings are based

(CONTINUED ON PAGE 15)

Lineup of Committees for National Convention Given

RALLY IN BOSTON MARCH 25

President Schriver of National Association, Commissioner De Celles and President Cox to Speak

BOSTON, March 12.—The meeting of the Boston Life Underwriters Association the evening of March 25 will bring together several New England insurance commissioners and presidents and executives of several New England life companies. It will be the opening gun in the preparations for the National Association of Life Underwriters convention in Boston next fall. President L. O. Schriver of the National association, Commissioner DeCelles of Massachusetts and President Guy W. Cox of the John Hancock Mutual will be principal speakers and the commissioners of New Hampshire and Connecticut have accepted invitations to be present. Paul F. Clark, John Hancock, general chairman of the convention committee, will discuss the convention plans.

Convention Aids Listed

A complete roster of the officers and committees which will have the details of the convention in charge was made up this week. Manuel Camps, Jr., Penn Mutual Life, is vice-chairman of the general committee. Others listed are:

State vice-chairmen: Maine, M. H. Neale, New York Life, Portland; New Hampshire, W. E. Johnson, Mutual Benefit Life, Nashua; Vermont, C. P. Barlow, Aetna Life, Rutland; Massachusetts, R. C. Laub, Springfield; Rhode Island, H. T. Cook, Connecticut Mutual, Providence; Connecticut, A. F. Stolz, New Haven.

Executive committee: Paul F. Clark, chairman; Charles C. Gilman, National Life of Vermont, vice-chairman; Ben H. Badenoch, Northwestern Mutual; Paul S. Burns, Mutual Life, New York; Manuel Camps, Jr.; A. J. Farnsworth, Equitable New York; George L. Hunt, New England Mutual; W. N. Watson, Connecticut Mutual; and C. W. Wyatt, John Hancock.

Committee chairmen: Advisory, George L. Hunt, vice-president New England Mutual Life; attendance, Manuel Camps, Jr.; cooperation with trust officers, Basil S. Collins, Old Colony Trust Co., chartered life underwriters, S. D. Weissman, Financial Planning Co.; convention sessions, G. P. Smith, New York Life; entertainment, C. C. Gilman, National Life of Vermont; exhibits, J. M. Woodhouse, Union Central Life; finance, Paul S. Burns, Mutual Life of New York; general agents and managers, W. N. Watson, Connecticut Mutual; hotel reservations, Fitzhugh Traylor, Equitable of New York; information, J. V. Gridley, Connecticut General; membership (special), P. J. Crafey, Metropolitan Life; president's reception and ball, J. B. Clark, State Mutual Life; press, W. E. Wadsworth, New England Mutual; printing, C. G. Seward, Massachusetts Mutual; publicity, Paul C. Sanborn, Connecticut Mutual; reception, R. W. Moore, Jr., New England Mutual; registration, L. J. Gordon, New England Mutual; special guests and invitations, McKinley H. Warren, Phoenix Mutual; supervisors, George E. Levesque,

(CONTINUED ON PAGE 15)

Producer for 1,000 Weeks Is Honored at Cleveland

CLEVELAND, O., March 12.—John W. Wulf, Cleveland office Massachusetts Mutual Life, was tendered a special luncheon here in celebration of 1,000 weeks of consecutive weekly production just completed.

Mr. Wulf is one of the first agents who became associated here some 30 years ago with Elmer W. Snyder, who has been general agent in this district for 33 years. Mr. Wulf has been on the company's honor roll for 18 years, his annual production for 20 years averaging over \$250,000. He was presented a gold embossed plaque and a bronze lamp.

WIVES SURVEYED

We read, in a recent survey, that 20% of wives favored buying more life insurance, and that 52% would approve "but for—."

These figures oppose the long-held belief that wives, in general, are hostile to life insurance. And they suggest that modern plans of saving, so easily understood and so rich in their benefits, have a less restricted acceptance among women. If this is true, we should be more ready to give sales talks to the wife, and be less inclined to shun an interview at which she might be present. Advertising by the companies is doing a splendid educational work, and the several thousand affiliated clubs of the General Federation of Women's Clubs, with their Home Economics programs, are rapidly dissipating much of the sales resistance which used to be imputed to married women and which gave the Agent the jitters.

"Wives object to life insurance, widows never do," is being replaced by, "Neither wives nor widows object to life insurance."

THE PENN MUTUAL LIFE INSURANCE CO.

Independence Square

Philadelphia

Analyze Binding Receipts

Court Decisions in General Hold That There Is No Actual Contract Existing Until After Application Is Accepted

Although most applicants for life insurance are told by their agents that the insurance takes effect from the date of the medical examination or application, it is a fair generalization from the decisions that the applicant is not usually protected during the period between the issuance of the binding receipt and the approval of the policy at the home office, it was stated by Prof. Harold C. Havighurst of Northwestern University school of law, Chicago, before members of the Chicago Life Insurance Lawyers Club Tuesday evening.

While it is the practice of many companies to make payment in such cases if the applicant dies before the policy is issued, provided they are satisfied there is no misrepresentation in the application, other companies will make use of the ruling of the courts to defeat such claims, and all companies will defend on this ground when they believe that there has been fraud in the application, in order to avoid the necessity of contesting that issue on the merits.

Explains General Ruling

Professor Havighurst, in explaining the general ruling of the courts on this subject, cited the case of *Gerrib vs. Northwestern Mutual Life*, in which the application stipulated that if the application was approved the insurance should take effect from the date of the application or the date of the medical examination, whichever was later. It also gave the company freedom to decide on acceptability at any time up to delivery of the policy.

The applicant paid the first premium and shortly afterwards became insane and died. In denying recovery, the court held that "the provisions in the application have no other or further meaning than that, in case the defendant shall be satisfied that the applicant is an acceptable risk and approve the application, then the contract shall be considered as having become effective on the date of the medical examination, and until the application is approved the applicant may withdraw the application and demand the return of the premium, as the application is a mere offer."

In another case the courts have held that "when the application provides that the insurance shall not take effect until the approval of the application, no contract of insurance exists prior to such approval."

Professor Havighurst cited the case of *Mutual Life of New York vs. Young's*, administrator, in which recovery was sought under a binding receipt. In this case the court ruled that "the acceptance was a qualified one and there was none other. The company was not bound according to the receipt, because it had not agreed to a part of the terms specified and those terms were material and of the essence of the proposition. Clearly the company never did agree to those terms."

He also discussed several cases in which the opposite view was held and recovery allowed the beneficiary, the court ruling that "it was the intention of the parties to effect a certain contract of insurance binding from the date of the receipt, which would be superseded by the policy when issued or terminated by a rejection of the application and notice to the assured."

Argument for This View

The argument in favor of this view, he stated, is that if recovery is denied, the applicant is paying premiums for period during which he is not covered. However, this argument can carry no weight if it is assumed that the provisions of the receipt and application are clear. He pointed out that when it is expressly stated that the insurance is not to take effect until the application is approved, it is clear that it is stipulated as a condition precedent to the formation of the contract, but when it is stated that the insurance is to take effect from the date of the application or medical examination, the transaction is susceptible of the interpretation that the agent is given authority to enter into a contract on behalf of a company, to take effect immediately, the condition as to approval is merely a condition of the company's liability.

He described a new form of receipt now in use by several companies which

Canadian Life Sales Last Year Show Slight Decrease

During 1935 the net amount of life insurance paid for in Canada was \$588,348,611, decrease 1 percent. Of the total, ordinary amounted to \$430,164,368, industrial \$140,280,250, and group \$17,903,993. Total in force was \$6,259,732,426, increase .6 percent.

Of the total in force, \$4,165,489,026 was carried by Canadian companies and \$2,094,243,400 by British and United States. The total in force of Canadian fraternal societies was \$106,882,394, and of foreign fraternal societies, \$50,642,051, total \$157,524,445.

entirely eliminates the questions involved under the usual type. This form, after reciting the receipt of the first premium, stipulates "the above mentioned life is insured in accordance with the terms and conditions of the policy which may be granted in this particular case for 30 days from the present date. Should the company decline to issue the policy, the insurance hereby granted thereupon ceases, and in such case the amount herein acknowledged shall be returned to the applicant."

This type of receipt, he pointed out, actually provides a temporary contract of insurance and no defense could be made on the basis of changes in the applicant's health subsequent to the date of the receipt. The only defense would have to be based upon false answers made at the time of the application or medical examination. Some of the advantages of this type of receipt would be that "troublesome litigation would be avoided. Although a number of claims would have to be paid under this form which could be successfully defended under the other forms, nevertheless it would seem that the increased good will established would be of more value to the companies than the amount of such claims."

Other speakers at the meeting were J. F. Kutak, home office counsel Federal Life, Chicago, who reviewed current decisions, and R. F. Potter.

Mosman Gets New Title

O. C. Mosman, agency manager of the American Savings Life for Missouri, has been made manager of agencies.

Test Case on Iowa Tax on Annuities Is Being Heard

DEPARTMENT IS BEING SUED

Northwestern Mutual Also Takes Action Against State Treasurer to Determine Rights

DES MOINES, March 12.—Trial of the suit of Northwestern Mutual Life against the Iowa department and L. J. Wegman, state treasurer, to determine the right of the state to tax annuity policies, began here this week.

The company asks an injunction to restrain the 1936 tax on its annuity business and for recovery of \$5,234 paid on its 1935 business. The suit is a test action to determine whether the state premium tax against insurance companies doing business in Iowa can be interpreted to cover annuity business.

Vincent Starzinger of counsel for the company in his opening argument declared annuities are not insurance and therefore such premium income could not be taxed under the Iowa law. Assistant Attorney General Ryan asserted that annuity premiums come within the statute providing for taxation of premiums received from business done by insurance companies in the state.

Iowa estimates of the amount of premium tax on annuity contracts annually are approximately \$250,000. Numerous other companies have not paid their 1936 annuity tax but are waiting on the outcome of the test suit filed by Northwestern Mutual.

National U. S. A. Fund Report

Hercules Life Gives Some Facts as to the Condition of the Reinsured Company

The Hercules Life of Chicago, the Sears, Roebuck & Co. life company, which took over the National Life, U. S. A., in February, 1934, has made a report as of Dec. 31 on the National Life fund.

On Dec. 31 there was \$139,186,751 insurance in force. The rate of termination, exclusive of deaths and maturities, was about 7½ percent. The premium income was \$3,034,488, including the National Life fund. Under the agreement the National Life assets and business are carried in a separate fund. The reinsurance agreement stipulated that after setting aside a contingency reserve of a reasonable amount, the surplus in the National Life fund should be applied toward reduction of such liens to the continuance in force of a very large proportion of this business and gradual appreciation in asset values. The improvement allocated in accordance with the terms of the reinsurance agreement has made possible assurance of a contingency reserve of \$562,000 as a safety provision against future fluctuations in asset values, and the fund as of December 31, reflects a surplus of \$1,280,000.

The Hercules Life has voted to reduce all liens on National Life policies by 10 percent as of Jan. 1, 1936. The reinsurance agreement provided for a moratorium on policy loans under certain conditions until Feb. 12, 1939. Owing to the improvement in liquidity it has been made possible to permit the Hercules to consider loans to such an extent and subject to such rules and regulations as may be adopted from time to time.

Since assuming the contract, the Hercules has paid to policyholders more than \$4,750,000. Exclusive of the surplus of the National Life fund, the Hercules has a capital of \$500,000 and surplus of \$508,040.

The southern California agency of the Provident Mutual Life, J. H. Cowles, general agent, has moved to 1310 Edwards & Wilkey building, Los Angeles from 920 Insurance Exchange building.

BOSTON PLANS FOR NATIONAL MEETING



PAUL F. CLARK
John Hancock Mutual
General Chairman



CHARLES C. GILMAN
National Life, Vt.
Executive Vice-Chairman



GEORGE L. HUNT
New England Mutual
Advisory Chairman

The Boston Association of Life Underwriters is organizing its committees to take care of the National association meeting there in September. Paul F. Clark, John Hancock Mutual Life, former National association president, is general chairman assisted by an able group of men.



"Gifts for the Grandchildren"

That's what she calls the small annuity check which she gets every month from the John Hancock.

Enough money to buy "gifts for the grandchildren" is making a big difference in the life of many an older person, who would otherwise feel dependent.

Send the coupon for our booklet about retirement incomes.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS



Wife - Mother - Hostess . . . But Not a Business Woman

Whatever may happen, she will be able to carry on in her natural role of wife, mother, hostess. Her husband has made it certain with life insurance. You can promise your wife the same security. Let us show you how.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS



She Wanted to be a Lawyer

Her dad had great hopes for her, but he didn't know that life insurance could have carried out the plans which he couldn't see through personally.

Your daughter has a right to the training which fits her ambitions and her talents. Send for our booklet which shows how you can make it certain with life insurance.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

Presenting the life insurance idea, as it applies to women of all ages, in magazines of national circulation during the year 1936.

Using radio



to put fathers in a buying mood

FOR nearly four years, *Roses and Drums*—Union Central Life's well-known radio program—has helped to put thousands of fathers in a *buying* mood for life insurance. Daniel Stark himself, between the acts of each stirring drama, gives a persuasive sales talk in miniature on the Multiple Protection Plan.

Union Central agents have been quick to capitalize these programs for their own interviews. And their success has been reflected in more sales.

In 1935, for example, 12.8% more life insurance was sold by Union Central agents than in 1934. 45.9% of this was Multiple Protection.

The
UNION CENTRAL
Life Insurance Company

CINCINNATI

Commissioner Boney Gives His Views on Supervision

Insurance Commissioner Dan C. Boney of North Carolina, one of the most substantial and high-minded insurance state officials in the country, commented on a recent editorial in *THE NATIONAL UNDERWRITER* on state supervision. His observations are well worth reading. He says in his comment on that subject:

"I agree with Superintendent Pink that the insuring public reposes entirely too much confidence in the insurance departments. It is a recognized fact that a capable business man before entering into any ordinary contract that may probably involve only a few hundred dollars not only considers it carefully himself but also has his attorney approve it, whereas when he purchases a life insurance policy, which is probably the most important contract he enters, or a fire or liability contract, he usually relies entirely upon what is told him by the soliciting agent and later when the policy is delivered he never reads it but puts it away in a safety deposit box where it reposes until a claim arises. Whether this is just a psychological state of affairs or whether the public generally feels that the states are responsible for such contracts is hard to determine, but certainly it is quite apparent that the public in general does rely too strongly upon the supervisory department.

Powers of the Department

"No department or official can prevent responsible officers from what amounts to stealing the funds of policyholders which in my opinion has been largely responsible for the few failures we have had recently and certainly much more so than the deflation of values. It is also true that the states in general are reluctant to appropriate anything like a fair share of the funds paid to such states by the insurance

business to the up-keep of their insurance departments. For instance, in this state, and it is no different from others, we collect approximately \$1,700,000 annually by way of insurance taxes and license fees, while we only spend around \$100,000. I think the gross premium receipts tax has been quite generally considered a general fund revenue measure, but the license fees alone would support most departments quite handsomely as compared to their present budgets, and, of course, we all agree with you on the question of salaries.

Opposes Federal Supervision

"I was one of those who at first felt that a central plan of supervision in Washington would bring about uniformity and better supervision, but the more I have learned about the supervision in Washington, the more I feel that it would be almost disastrous to centralize supervision in the federal government. Not only has state supervision proven more satisfactory, but it affords the insuring public a great deal more service than people could ever hope to receive from Washington. For example, my department, and I think most others are too, forced to maintain an adjustment service which handles thousands of claims annually, usually small claims for the poor and ignorant who are unable to employ legal services and which has in my state proved a very valuable service both to the companies and to the insuring public and which would be entirely lost with the centralized plan of supervision.

"I feel that the National Association of Insurance Commissioners as a whole is composed of very able men and in recent years we have been able to work together with almost complete harmony which has brought about uniformity in supervision that has proved very beneficial."

Philpott Named as Author of the Oklahoma Letter

Sharpe W. Philpott, secretary of the Oklahoma insurance board, is the official who gave a letter to an Oklahoma City publishing company authorizing it to print and offer for sale at \$10 a copy the insurance laws of Oklahoma. Commissioner Read of that state issued a statement disclaiming any responsibility for the letter. He declared that subscriptions to the publication of the insurance code have been sent to insurance attorneys, insurance departments and insurance companies throughout the country and Mr. Read emphasized that there was nothing official about this publication.

Commissioner Read later said that the matter of authorizing publication of the insurance laws of the state was discussed at a meeting of the insurance board several weeks ago, but inasmuch as there were no funds to finance the movement, no action was taken. Mr. Read said that Mr. Philpott then, on his own initiative, authorized the Harlow Publishing Company to print the laws and offer them for sale at not less than \$10.

Mr. Read said he knew nothing of this action and said if he had known of the plan he would have disapproved authorizing any publishing company to print the laws until all companies of the state had been given opportunity to bid.

Mr. Philpott told Commissioner Read he had submitted the proposition to the governor and that he had obtained the latter's approval.

The Excelsior Life has opened a new Montreal branch under the management of Charles C. Hershon.

Former Commissioner W. S. Smith of Wisconsin Is Dead

W. Stanley Smith, 59, Wisconsin insurance commissioner appointed in 1923 upon the expiration of the term of the late Platt Whitman and serving until he resigned in 1926 to seek the Republican nomination for governor on a wet platform, died at the federal veterans hospital near Milwaukee. He was a colorful figure in Wisconsin politics as a progressive, coming from Ashland, Wis., where he was a practicing attorney, to become state prohibition commissioner in 1921.

After retiring as insurance commissioner and following his defeat for the gubernatorial nomination, he practiced law at Madison and Milwaukee until his health broke down in 1931 and he entered the veterans home. He served in the army through the Mexican border trouble in 1916 and served with distinction in the world war as lieutenant in the 42nd division. His wife, Rose, of Madison, and a son, Wallace, of Milwaukee, survive.

New Illinois Legislation

There were five insurance bills passed at the Illinois special session, three of which have no application to life insurance. The bill providing for licensing of agents, brokers and solicitors becomes effective July 1.

Another bill amends section 29 of the assessment life insurance act providing that any burial society organized before July 1, 1936, may avail itself of the provisions of this act.

Chester T. Berryman, for 22 years special agent of the Union Central Life in Oklahoma City, died there.

RECORDS

United States Life—New paid business in February, Moir month, in honor of President Henry Moir showed an increase of 28 percent. The New York metropolitan agents gathered at the home office to pay their respects. Qualifying agents presented testimonial letters to President Moir. Mr. Moir gave some reminiscences of his career which began with the Scottish Life of Edinburgh when he was 15.

Vice-president Ben S. Graham introduced C. J. Smith, vice-president of American Asiatic Underwriters, agents for the United States Life in the far east. The Paris agency of Rochester, N. Y., was the winner of the Shanghai trophy. The president's trophy was on display.

Union Mutual Life, Me.—February paid for business 5 percent ahead of February, 1935, and 59 percent ahead of February, 1934. For the two months of 1936, total volume of paid for business increased 40 percent over same two months of 1935.

Lafayette Life—Its February, 1936, paid-for business was 136 percent better than February, 1935. The year to date is 119 percent better than the same period in 1935, calculated on a paid-for basis.

Cedar Rapids Life reports gains in new business both for January and February. February increased over 21 percent. The company operates in Iowa and Nebraska. A large portion of its business comes from the rural sections of Iowa from which territory was reported the most severe winter weather in 117 years. The company feels that the fact that an increase was made under such adverse weather conditions indicates decided improvement in middle western rural territory.

Yeomen Mutual—February production was 55 percent ahead of February, 1935. The company is in an intensive drive in March which is expected to set an even higher record for increased sales.

F. M. McMillan, Los Angeles, Penn Mutual—Gain of 35 percent in paid new business for first two months of 1936, exclusive of annuities.

G. G. Buckley, Northwestern Mutual, Charleston, W. Va.—Led all district agencies for 1935 in production with nearly \$1,750,000 of business. The average application was more than \$10,000. The agency more than doubled its quota. Mr. Buckley took charge of the Charleston agency about a year and a half ago. Previous to that time he was district manager for the Northwestern Mutual at Parkersburg.

O. P. Schnabel, San Antonio, Tex., Jefferson Standard Life—Increase of \$50,000 in paid for business for February and \$95,000 for first two months; showed more than a million increase in 1935.

California Agency, State Life, San Francisco—February made the 16th month out of the past 17 that the agency has led the entire United States for volume of monthly production. February was observed in California as "Red Ribbon Reminder Month," each representative wearing a red ribbon on his finger to remind him to remind his prospects of the need of life insurance. As the result of the campaign, California not only headed the list of states, but also furnished the leader for individual production in E. L. Buchanan, 26-year old San Francisco agent. California also furnished the leader of Honor Class B, in Ira Homer of Los Angeles; a topper in Class C, in E. E. Nelson of Madera; and the leader of Class C in Hal Fraser of Oakland.

Bankers Life, Neb.—Gain of 23.3 percent in issued business for February. On the year-to-date basis, 1936 shows a gain of 21.3 percent.

Push Social Security in Indiana

Both houses in the special session of the Indiana legislature have agreed not to consider any bills that were pending on adjournment of the 1935 regular ses-

sion but to confine their attention to the social security program. To this end three bills have been introduced—the public welfare bill, the unemployment insurance bill and a third which is merely a conformity act.

Paul Otto Agency Honored

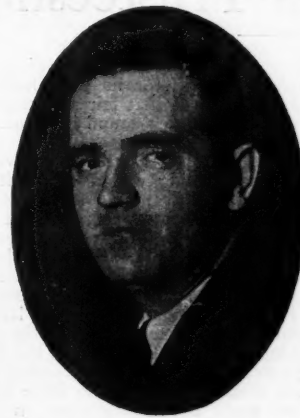
DAVENPORT, IA., March 12.—H. M. Holderness, agency vice-president of the Connecticut Mutual Life, presented the "Corn Belt" trophy to the Paul C. Otto agency here at a luncheon. The Davenport agency won the trophy by securing the greatest percentage of increased business during the last six months of 1935 as compared to the same period in 1934. All mid-western agencies competed.

In addition to Mr. Holderness, other speakers were Claude Fisher, Des Moines; T. C. Stein, Burlington, Ia.; and M. O. Stevens, Ottumwa, Ia.

Representatives of the Connecticut Mutual in western Illinois and eastern Iowa attended the sales meeting following the presentation.

Fletcher T. Scott of Philadelphia, a son of T. M. Scott, leading producer of the Penn Mutual for many years, has joined the F. M. McMillan agency of the Penn Mutual in Los Angeles. He entered life insurance two years ago.

Plans for Meeting



MANUEL CAMPS, JR.

The Boston Association of Life Underwriters is making plans for the national convention in Boston in September. Manuel Camps, Jr., general agent Penn Mutual Life, has been named vice-general chairman of the local committee.

Company Position on N. Y. Insurance Measures Given

ALBANY, March 12.—At the joint hearing on pending insurance legislation in New York, the bill limiting the rate of interest to be charged on policy loans was opposed by the Life Presidents Association. The expense of carrying small loans averaging under \$200 was stressed, also that the bill would increase borrowing and require more liquid assets, which result in decreased dividends to policyholders.

Opposed by Benedict

The departmental bill requiring agents of fraternal and mutual assessment concerns to be licensed was opposed by W. D. Benedict, who expressed fear that it would require licensing of a fraternal member who invited relatives to join the order.

The bill sponsored by the department to prevent a discredited life agent soliciting fraternal or mutual assessment business was supported by various broker and agent associations.

The Aetna Life and the W. B. Thomas general agency at Pittsburgh established a district office in Johnstown, under the management of C. E. Hurrel, who has been district supervisor of the territory



1860-1936

"GUARDIAN OF AMERICAN FAMILIES FOR 76 YEARS"

**THE GUARDIAN LIFE
INSURANCE COMPANY OF AMERICA**
Established 1860

50 UNION SQUARE, NEW YORK CITY

Metropolitan's President in Fine Talk on Trusteeship

An important contribution was made by President F. H. Ecker of the Metropolitan, who spoke at the dinner winding up the New York sales congress on "Administration of the Life Insurance Trusteeship." He found the affairs of the institution faithfully administered by officials, with no other incentive than to render a fine public service. The responsibilities of trusteeship, he said, demand considered judgment amidst perplexing extremes of popular opinion as affected by the changing currents of life. Not long ago common stocks were coming to be advocated as a proper medium for investing life insurance funds. Today no elaborate statistics nor counsel of investment experts are required to show the wisdom of life insurance management in resisting the "siren song" of common stocks and continuing the conservative course proved safe through experience. Similarly, the wisdom of officials in not departing from proven investment standards, and of commissioners and legislators in not weakening legal standards for life companies' investments has been demonstrated. He said this is important for history shows that men have been prone in times of adversity to ignore the lessons of normal times. "In fact," he said, "it is in times of adversity that there appear the most fantastic schemes for alleviating the financial ills to which we have been subject."

Life Insurance Is a Long Range Business

Life insurance is a long-range business. Its contracts must be performed over a period of years, whether through times of national prosperity or adversity. It has no interest in the results of speculative anticipation of changing eco-

nomie conditions, but only in safety of the funds invested for its policyholders and the earning of that fair and reasonable income to which sound investments are entitled.

"In an attempt to hasten recovery, which is well under way as a result of the operation of economic forces, there are today again temptations to shift investment policies of life insurance companies from paths which have been proven sound. There is, for instance, an urge to finance building construction with insurance funds by lending a larger percentage of the total cost of the undertaking than the experience of the past has proven safe for trustee investments. "Life insurance companies have been able to meet their obligations in the splendid way so frequently the subject of favorable comment because their management has refused to be swayed by temporary shifts of opinion and theory."

Recognition to Agents for Part They Take

He paid recognition to the agents for their part in causing people to make the widest possible use of life insurance in making provision against the uncertain future of individual lives.

The maturity of the obligations of a life company over the years to come can be measured with a remarkable degree of accuracy, he said. The regard in which life insurance is held proved a check upon panic psychology, notwithstanding restrictions placed on companies regarding cash values and loans during the bank mortatorium. A stabilizing influence that life companies exert on the nation's financial structure is that they are not compelled to throw upon the market real estate they own, without re-

spect to intrinsic value, thus depressing general real estate values. They can rehabilitate such properties, restore their income producing status, and in due course sell in a normal, rather than a depressed, market. This results in reducing unemployment in building trades and is an aid to restoration of real estate values and a contribution to support of sound economic conditions.

Mr. Ecker discussed interest rates. "The 63,000,000 policyholders and their beneficiaries—probably not less than 100,000,000 individuals in all," he said, "have a stake in the interest earnings of life insurance companies. They outnumber, by far, the borrowers, who are the principal beneficiaries of low interest rates."

"There is a natural law which operates to increase interest rates when there is a large demand for money from borrowers and to lower the rate when there are excessive supplies of money seeking sound investments, as is the case today. We can find no fault with efforts to maintain a free investment market and to prevent restrictions upon this freedom by investors themselves. Unreasonable restrictions and legislative or administrative efforts to depress interest rates unduly are neither in the interest of life insurance policyholders nor of the general public. Life insurance policyholders ask no favors in interest rates, but insist only that their representatives have the right to enter the investment market as a lender of capital with freedom to secure whatever rate market conditions afford, untrammelled by artificial devices."

Feels Natural Trend of Interest Safest Course

"It is to be hoped that the trend of interest rates may be allowed to take this natural course with as little interference as possible. It may be observed that in the past the early stages of revival from depression have been accompanied by a period of low interest rates. Business commonly takes advantage of low capital cost to improve property, add to the efficiency of plant, and gradually to lead into new ventures. This is an aid to recovery, and when such natural developments occur employment and consuming power are increased."

"The economists tell us it is doubtful whether artificial activities can materially affect the level or trend of interest rates as a whole for any long period. The equilibrium between the supply of and demand for capital, however, can be distributed by artificial means and trends can be emphasized. Furthermore, it is possible that for certain classes of interest rates such pressure may even affect the levels for an indefinite period."

"In line with such purpose, opinions have been expressed in some quarters that interest rates charged by some types of lenders are too high and the influence of federal agencies has been brought to bear toward a reduction in such rates. Without any interference, a period of low money rates would naturally continue until a revival in business should be well under way. In the past, it has been noticeable that during a period of such gradual recovery, investment funds piled up at a faster rate than the rate of increase in new media for their use."

"There is another angle of low interest rates which gives concern and should definitely militate against artificial efforts to force such rates to levels lower than natural forces bring about. Money responds to the same influences as those which affect the prices of commodities. If the price for it falls too low, changes of a fundamental character result. Funds for conservative investment are savings of previous labor."

"If these savings do not command sufficient wage in the true investment market, such funds may very likely turn to speculative fields. There is more than a suggestion in the present situation to indicate that this movement has already started. Although aside from life insurance, an individual is tempted to use funds in speculation instead of putting money in savings banks and conservative investments."

"Another question of interest to pol-

Leaves a Gap



SHEARN MOODY

The death of Shearn Moody, vice president of the American National of Galveston, leaves a gap in that organization that will be difficult to fill. He was the senior vice-president and was associated with a number of enterprises as an official with which the Moody family is connected. He had developed splendid executive talent.

Death of Darwin W. Johnson

President of the Commonwealth Life of Louisville Had Been an Official Many Years

LOUISVILLE, March 12.—Darwin W. Johnson, 73 years of age, president, Commonwealth Life of Louisville, died Tuesday morning, at the residence of his daughter, Mrs. Craigie Krayenbuhl, wife of an official of the Commonwealth. He had been in poor health since last October but was at his office as late as last Thursday.

Mr. Johnson was born at New Orleans, came to Louisville as a child, graduated from high school and St. Mary's College, Marion County, Ky., became connected with the tobacco business in Louisville, and in 1905 became secretary-treasurer of the Commonwealth Life, becoming vice-president in 1921; and a year later was elected president to succeed the late Col. J. D. Powers.

During his period as president of the Commonwealth Life the company showed remarkable growth.

Mr. Johnson is survived by another daughter, Mrs. Louise Courtenay, Anchorage, Ky.

Mr. Johnson was a charter member of the Pendennis club. He was also secretary-treasurer of the old Louisville Jockey Club, when 17 years of age.

Policyholders today prompts us again to look to the lessons of history for guidance. There is much public discussion of the question of inflation and it behooves life insurance policyholders to avoid panic fears which lead only to madness. Notwithstanding advocacy of currency inflation from certain sources, repeated assurances have been given by responsible governmental authorities that they will resist all such efforts. In this stand they should have the support of all interested in preserving sound property and investment values. It is inconceivable, in the light of the knowledge we have of the result of such experiments in other countries, that the forces advocating such a course here will receive enough public support to make possible the accomplishment of their purpose."

PERFORMANCE

for client as well as for beneficiary!

That's one practical appeal of Pacific Mutual 5-Way Life Insurance. There are Sickness, Accident, Loss of Limb or Sight, Old Age benefits for the client personally—and, of course, Life Insurance protection for the beneficiary—all in ONE POLICY UNIT.

But what of the PERFORMANCE of the Company that has made the 5-Way famous? The figures are eloquent.

Pacific Mutual Payments to Policyholders

| | |
|-------------------------------|------------------|
| Year 1935 | \$ 23,722,415.53 |
| Years 1931 to 1935, inclusive | 132,382,548.00 |
| Years 1868 to 1935, inclusive | 337,388,695.36 |

The Pacific Mutual Life Insurance Company
Founded 1868

GEORGE I. COCHRAN
Chairman

A. N. KEMP
President

HOME OFFICE:
LOS ANGELES,
CALIFORNIA

OFFICES
IN
42 STATES

ASSETS
OVER
\$215,000,000.00

Company Leaders in 1935

Large Producers and Foremost General Agencies and Territories Announced by Many Organizations in Special National Underwriter Survey

BANKERS NATIONAL LIFE

PRODUCERS: (1) H. J. Baker, Boston; (2) Irvin Victoroff, Jersey City; (3) M. E. Pesquera, San Juan, P. R.; (4) Marcus Elmhorn, Philadelphia; (5) Rudolf Fried, Philadelphia; (6) Nathan Goldstein, Pittsburgh; (7) Morris Greenberg, Hartford; (8) Jack Siegel, Danbury, Conn.; (9) Abraham Goldstein, Hartford; (10) Martin F. Dussinger, Reading, Pa. AGENCIES: (1) A. Goldstein, Hartford; (2) H. J. Baker, Boston; (3) Bruenn-Elmhorn, Philadelphia; (4) I. Victoroff, Jersey City; (5) M. R. Pesquera, San Juan, P. R.; (6) N. Goldstein, Pittsburgh; (7) Fried & Fishman, Philadelphia; (8) Perez F. Huff, Los Angeles; (9) M. F. Dussinger, Reading, Pa.; (10) G. H. Hanauer, Montclair, N. J.

CALIFORNIA-WESTERN STATES

PRODUCERS: (1) Grant Taggart, Cowley, Wyo., \$514,350; (2) L. B. Pyper, Tucson, Ariz., \$440,905; (3) G. G. Young, Alturas, Cal., \$363,542; (4) D. E. Bam-bauer, Los Banos, Cal., \$303,109; (5) A. F. Kapinos, Glasgow, Mont., \$273,376; (6) R. J. Schaefer, San Diego, Cal., \$250,316; (7) P. C. Lyon, Salt Lake City, \$249,743; (8) H. T. Richardson, Walnut Creek, Cal., \$249,273; (9) M. G. Phillips, San Francisco, \$248,701; (10) T. Barth, Lodi, Cal., \$247,722. AGENCIES: (1) T. A. East, Fresno, Cal., \$2,637,538; (2) G. H. Page, Los Angeles, \$2,398,822; (3) Gilbert Ball, Sacramento, \$2,312,023; (4) A. H. Hakenson, Salt Lake City, \$1,832,740; (5) Fred J. Johns, Sacramento, Cal., \$1,759,105; (6) Grover C. Nissen, San Francisco, \$1,684,031; (7) J. W. Pearson, San Francisco, \$1,576,851; (8) J. V. Hawley, Oakland, Cal., \$1,288,567; (9) Bruce Taggart, Billings, Mont., \$1,223,365; (10) Stuart G. Gibbons, Stockton, Cal., \$1,216,281. STATES: (1) Cal., \$15,139,921; (2) Texas, \$1,339,078; (3) Wash., \$1,204,298; (4) Utah, \$972,289; (5) Oregon, \$799,900; (6) Arizona, \$716,835; (7) Wyo., \$592,500; (8) Mont., \$393,000; (9) Idaho, \$358,500; (10) Nevada, \$189,133.

CONNECTICUT MUTUAL LIFE

AGENCIES: (1) J. M. Fraser, New York; (2) S. L. Morton, St. Louis; (3) C. J. Zimmerman, Newark; (4) E. F. White, Dallas; (5) P. C. Sanborn, Boston; (6) L. D. Fowler, Cincinnati; (7) E. F. Colborn, Rochester; (8) W. Regan, New York; (9) H. F. Gray, New York; (10) Messrs. Caulkins, Rosenbaum and Calkins, Cleveland. STATES: (1) New York; (2) Penn.; (3) Ohio; (4) Ill.; (5) Mass.; (6) Texas; (7) Mo.; (8) Mich.; (9) New Jersey; (10) Cal.

GREAT SOUTHERN LIFE

PRODUCERS: (1) T. B. Reed, Okla. City, \$473,120; (2) Carey Selph, Houston, \$332,475; (3) O. S. Carlton, Jr., Houston, \$324,630; (4) Alva Carlton, Houston, \$283,417; (5) E. L. Williams, Houston, \$220,500; (6) E. S. Adams, Houston, \$217,388; (7) D. P. Webster, Cleburne, Tex., \$216,830; (8) J. B. Adams, Houston, \$211,876; (9) C. L. Inmann, Tulsa, \$211,750; (10) W. B. Benton, San Angelo, Tex., \$210,914. AGENCIES: (1) Dallas, Dallas, Tex., \$7,194,996; (2) Oklahoma, Oklahoma City, \$4,867,860; (3) Houston City, Houston, \$4,178,212; (4) Tenn. & Ky., Nashville, Tenn., \$2,000,857; (5) New Mex. and Amarillo, Amarillo, Tex., \$1,952,465; (6) Shreveport and Monroe, Shreveport, La., \$1,579,037; (7) Beaumont, Tex., \$1,560,117; (8) San Antonio, Tex., \$1,294,699; (9) Houston Coast, Houston, \$1,286,600; (10) Austin, Tex., \$1,278,013. STATES: (1) Tex., \$20,037,724; (2) Okla., \$4,867,860; (3) La., \$2,586,092; (4) Tenn., \$1,704,357; (5) New Mexico, \$387,464; (6) Ky., \$296,500; (7) Ark., \$135,305; (8) Cal., \$129,020.

GUARDIAN LIFE

PRODUCERS: (1) W. C. Ross, Milwaukee; (2) Jack Warshauer, Brooklyn; (3) M. C. Reinboth, New York City; (4) J. E. Cole, Jr., Columbus, Ga.; (5) Leon Alexander, Brooklyn; (6) David Goodfriend, New York City; (7) Saul Kornreich, New York City; (8) J. E. Mason, Pittsburgh; (9) Langford Anderson, New York City; (10) C. D. Harrison, Washington, D. C. AGENCIES: (1) Leyendecker - Schnur, New York City; (2) Elsendrath, New York City; (3) Bragg, New York City; (4) Doremus-Haviland, New York City; (5) Alexander-Warshauer, Brooklyn; (6) Los Angeles, Los Angeles; (7) Pittsburgh, Pittsburgh; (8) St. Paul, St. Paul; (9) Evansville, Evansville; (10) Hoffman,

Chicago. STATES: (1) New York, (2) New Jersey, (3) Penn., (4) Minn., (5) Cal., (6) Ill., (7) Ohio, (8) Ind., (9) Mo., (10) Ga.

MASSACHUSETTS MUTUAL LIFE

AGENCIES: (1) New York, \$15,702,578; (2) California, \$8,857,499; (3) Keane

Agency, New York, \$7,422,244; (4) De-troit, \$7,277,306; (5) St. Louis, \$7,005,677; (6) Cleveland, \$6,798,698; (7) Chi-cago, \$6,602,918; (8) Pittsburgh, \$4,270,009; (9) Peoria, \$3,847,216; (10) Roches-ter, \$3,809,054. STATES: (1) New York, \$38,626,310; (2) Ill., \$15,788,431; (3) Ohio, \$14,644,876; (4) Mich., \$13,562,185; (5) Penn., \$11,895,919; (6) Mass., \$10,706,222; (7) Cal., \$10,335,462; (8) Mo., \$9,449,577; (9) New Jersey, \$9,072,833; (10) Tenn., \$5,145,314.

NATIONAL LIFE OF VERMONT

PRODUCERS (annuities not included): (1) E. A. Hasek, Kansas City, \$537,422; (2) J. T. Bryson, Manchester, N. H., \$506,000; (3) R. P. Burroughs, Man-chester, N. H., \$439,930; (4) H. V. Haas,

Cleveland, \$412,495; (5) F. E. Baker, N. Y.-Wells, \$394,200; (6) C. M. Hall, N. Y.-Wells, \$394,200; (7) J. W. Thom-son, Chicago, \$304,771; (8) V. E. Pinkus, Indianapolis, \$283,934; (9) P. K. Judson, San Francisco, \$273,000; (10) A. S. Craft, Roanoke, Va., \$265,980; (11) C. C. McComb, Milwaukee, \$263,500. AGENCIES: (1) New York-Wells, New York City, \$3,410,680; (2) Cleveland, Ohio, \$3,153,014; (3) Detroit, Mich., \$1,964,854; (4) Chi-cago, Ill., \$1,463,141; (5) Boston Mass., \$1,455,885; (6) Manchester, N. H., \$1,443,630; (7) Greensboro, N. C., \$1,279,300; (8) New York-Leonard, New York City, \$1,276,431; (9) St. Louis, Mo., \$1,255,740; (10) Bing-hamton, N. Y., \$1,221,069. STATES: (1) New York, \$7,409,939; (2) Ohio, \$3,631,117; (3) Ill., \$2,465,943; (4) Mo., \$2,073,445; (5) Mich., \$1,981,856; (6) Mass., \$1,-

(CONTINUED ON PAGE 14)

Mother went to the typewriter... the Children went to Grandmother



A QUARTER CENTURY ago, this was the threat that hung constantly over the head of a married woman... that as a widow she must face, not only a bitter bereavement, but the prospect of separation from her children, and a long, hard struggle for existence.

Today, in 1936, a young husband, even if his earning power is limited, can place around his wife safeguards which not so many years ago were available only to the wealthy.

Perhaps few of us realize just how great a change the steady growth of life insurance is bringing about in women's lives. American women today are protected by over a hundred billions of life insurance. This total is constantly being added to by men who realize that their present insurance would not yield a life income great enough to hold a home together. In another twenty years of

building and saving, these men will have laid the foundation for a new America. For in time all these billions of insurance accumulations will be paid, directly or indirectly, to women and to their children.

The companies to which this tremendous trust is given have proved themselves. During the depression American life companies not only stood firm, but moved ahead. Northwestern National moved with them... in fact, more rapidly than most. During the last five years, NWNL assets increased 30%, as compared to an increase of 23% for all companies. Growth in other ways was even greater. NWNL, in common with other life companies, stands ready to deliver to a man's wife and children a new freedom—permanent freedom from destitution and want—whether the need may come tomorrow, or a year from now, or half a century from now.

THE AMERICAN WOMAN.

IN NINETEEN THIRTY-SIX

DEATH CAN TAKE AWAY HUSBAND AND FATHER....BUT NOT SECURITY

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

STRONG

O. J. ARNOLD, PRESIDENT

MINNEAPOLIS, MINNESOTA

LIBERAL

This advertisement appeared in the March 9 issue of TIME magazine—the first of a new NWNL series to be published there this year.

New York Sales Congress Group Sessions Valuable

(CONTINUED FROM PAGE 2)

holders, Mr. Sprague pointed out a plentiful ability to pay for the investment required for creation of future income.

"Consider for a moment the fact that policyholders have on deposit approximately \$293,000,000 in dividend accumulations alone," he said. "Consider that annual dividends paid by life insurance companies during 1935 amounted to about \$484,000,000. Direct your attention to the fact that savings banks increased their deposits during 1935 by the largest amount in years. Remember the policyholders who purchased new cars, refrigerators and tickets to the Louis-Baer fight. I am more concerned with their desire to invest than their ability to pay."

Increase of Guaranteed Sum Used as Inducement

When the prospect, after the usual preliminaries, says he is "not interested," Mr. Sprague comes back with, "Mr. Prospect, that statement would indicate to me that you own a considerable amount of life insurance, but if we can show you how to increase the guaran-

teed amount payable under your present life insurance from 33 percent to 49 percent, without the cost of a single cent to you, and without a medical examination, you would be interested, wouldn't you?"

Having thus secured the prospect's time, the agent goes into a fact-finding interview, which Mr. Sprague considers a part of prospecting just as much as what went before the interview. The agent winds up by asking that the prospect, in return for the work on his life insurance problem, will set aside 40 minutes at a specified time and to consider seriously any worthwhile suggestions that the agent may make then.

Centers of Influence Aid in Package Selling Plan

Tying up the reference plan of prospecting with package selling makes it much more efficient, for getting centers of influence should produce names of individuals who will be interested when the agent gives definite reasons for buying a certain type of coverage, said J. M. Eisendrath, New York City manager Guardian Life of New York.

"If I were a stranger in a community but had become fairly well acquainted with at least two or three individuals and wanted to use them as sources of prospects, my first plan would be to become so familiar with a plan of income insurance, business insurance or any other plan that I could go to these men and rather than say, 'Give me some names of people before whom I can get,' I would say something like this:

Suggests What to Say in Using This Method

"Mr. X, life insurance companies have reached the stage where the public regards them among the most important institutions for the safeguarding of its financial affairs. My company keenly senses that responsibility and in presenting life insurance today it is as much concerned about life protection as death protection.

"We must all prepare for two definite contingencies, one of which we are sure to meet. We live too long or we do not live long enough. Unless we have a plan that will create an income in either event, someone will suffer. My company offers a plan that definitely works in both events. And then I give him a summary of a plan at a definite age." Not only does this approach make it easy and natural to elicit names from the center of influence, but it often

results in a sale to the man himself, said Mr. Eisendrath.

Review of Policies Sold Often Brings Prospects

Present policyholders are the best program prospects and the best sources for further prospects, S. J. Katzman, C. L. U., assistant manager Wofford agency, Prudential, said. Policyholders should remain one's program prospects until they have attained their goal in completing the ideal program.

"Getting names of prospects from your policyholders is a simple process," he said. "Let us say you are delivering a policy to one of your clients. Review with him the method of distribution he provided for his life insurance estate. Your policyholder will invariably say that he is very well pleased with your services and that he is very much sold on this program. Now is the time to strike for the names of prospects. This is the psychological moment to ask him for recommendations and if you do not take advantage of this opportunity, I may safely say that you have missed your chance."

SPECIALTY CONTRACTS

Prospecting for specialty selling was discussed by Henry Drouet, assistant manager Prosser & Homans agency Equitable of New York, New York City. He gave instances of insurance used for special purposes and suggestions as to prospecting for similar cases.

He cited \$150,000 of life insurance which he placed on homeopathic physicians of New York, secured in return for his efforts to have one of their number appointed as an examiner for the Equitable. Previously this type of physician had not been appointed. Another case arose from the fact that officers of coastwise vessels had been rated. Mr. Drouet gathered data, submitted it to the company, with the result the rating was taken off, and much business written. Another case involved the giving of "good-will" policies to the staff of a contracting firm.

"It has been my experience that the average insurance salesman calls on a prospect with a definite, fixed plan for insurance and is so intent on getting over his sales talk that in many cases he loses an opportunity to bring out a real need, which is much more valuable to the agent than making the sale of the contract he has in mind," Mr. Drouet said. "The method that I have found most effective in developing these specialty cases is to regard myself somewhat as an interviewer and later as a consultant rather than as a salesman. This is what I call an indirect method."

Leads Person to Talk About His Own Affairs

"I first gain the prospect's good-will, then persuade him to talk about himself and his plans and wait for an opening, which may lead to a definite need for insurance. The best sources that I have found for specialty prospects are lawyers, engineers, C. P. A.'s, bankers, inventors and executives. If I can get a lawyer to talk to me about his work on special cases, new organizations, directors meetings, I can very frequently find a special purpose where insurance would be a very vital factor."

A large part of his work is with investment bankers. New inventions also are a great source of specialty insurance.

"The Tiffany method—one gem not a whole window full—puts the reverse English on prospecting, looking for a prospect to fit your plan not a plan to fit your prospect," said W. R. Julius, C. L. U., Mutual Life of New York in New York City. "In today's market too many men, new and old, are trying to write 'perfect' insurance, trying to do a general overhauling job when the average prospect can buy only a spare tire—but will buy that."

"A week or two ago, I talked to a



BETTER THAN THE AVERAGE!

GAIN DURING PAST TEN YEARS

Insurance in Force 62%
Assets 147%

REASONS!

1. A Liberal General Agency Contract.
2. Financing Plan for Agency with Accounting Methods that Guide you Successfully.
3. A Detailed Plan for Finding . . Training . . Financing Men.
4. A Unique Supervisory System.
5. Tested Sales Helps and Organized Selling Plan.
6. A Policy for Every Purpose . . Juvenile, Women, Group, Wholesale, Etc.
7. A Substantial 50-Year-Old Mutual Company with an Understanding, Co-operative Home Office . . Not too big to Know You, Yet Big Enough to Command Respect Everywhere!

Our booklet "FACTS"

will be sent on request

**THE MINNESOTA MUTUAL
LIFE INSURANCE COMPANY**
SAINT PAUL, MINNESOTA

group of 25 young men employed in as many different lines of work, earning modest salaries. A demonstration showed 18 of them wanted more insurance and 18 out of the 25 said they could save sums varying from 10 to 25 cents a day.

Gives Suggestions on Package Selling Methods

"First, select the package which you think has widest appeal in today's market—(or in a special market in which you have wide contacts) get enthusiastic about it—buy it yourself if the shoe fits—know as many phases and angles as you can dig up; this isn't a one performance show that you are getting ready to put on. Second—pick out the strongest features and get them into your play—a strong appeal first—the points of less appeal in the body and one or two strong ones held back for the close. Third—boil it down. Fourth—make a rate chart. (Show and explain.) It saves time in the interview—it saves fumbling with rate books.

"You can tell your prospect that you are thorough—that you are prepared—that you know his time is valuable—but the better evidence is to be thorough and prepared and time saving. After the preparation—rehearse—practice.

Strategy of Approach Needs Careful Study

"In the approach, the strategy of the approach is to handle the objection without argument and proceed to show your merchandise; sounds easy—most of the difficulty lies there; that's where you meet the first line of tough objections. There hasn't been nearly enough written about the approach; if you can't get the curtain up, there is no show.

"The public wants security—they want to know they will continue to get well after 60 or 65. The picture of the man over 60—wandering around the financial district—his clothes neatly pressed and brushed—with fear and anxiety clutching at his heart—looking for a job when there is no job for him—is a picture fresh in the memories of all of us. Ask your prospect if he would hire a man 60 or 65.

"Two men agree that saving for retirement income is a good idea—one of them buys it—he starts the plan—and he carries it through; at 60 or 65 he has an income. The other fellow still thinks it's a good idea, but an idea without action is worthless; thought is the grandfather but action is the father."

Steps in Program Sale Are Taken Up by Haas

Carl E. Haas, educational director, Kee agency, Mutual Life of New York, Brooklyn, discussed presentation of the program sale. The first step takes place in the agency office; he must sell himself. "If he cannot do this, he might just as well forget the rest of his presentation because he is already beaten," Mr. Haas said. "If there is anything that is pathetic; if there is anything that is nauseating, it is the sight of an agent who tries to sell a complete program to a prospect not because of his enthusiasm and excitement over what that program will do for that prospect and his family, not because his blood tingles with emotion when he reviews his illustrations of life and what a great deal of difference there would be in his prospect's financial set-up if he accepts his recommendations, but because he has read that the law of average favors him who has something specific to say.

Analysis of Program Is Vital Second Step

"The second principle is that of analysis of the program. We must analyze our presentation so that it is broken up into plain packages described in a simple manner familiar to the experiences of your prospects.

"The third fundamental is visualizing your proposition in such a manner that your client will see what you wish him to perceive with his interest and consideration upon those cardinal points in

Hercules Officer



W. N. LOWE

W. N. Lowe, who was recently elected vice-president and secretary of the Hercules Life of Chicago, was connected with Sears, Roebuck & Co. for 17 years in operating divisions before being assigned to the insurance department when Sears, Roebuck entered that field. He has introduced some unusual mechanical features for handling insurance routine. One such contrivance makes use of bicycle wheels.

your program upon which you want to direct his thoughts. There are two means by which this could be accomplished. The first is by the careful use of words to arouse his emotions and instincts so that you could funnel his actions into whatever channel you might wish to lead him. Another means of visualization exists, pictures or diagrams."

ESTATE TAX CANVASS

Because of the uncertainty whether current estate tax regulations will remain unchanged until the assured's death and because of the possibility of disadvantages due to relinquishing control of the insurance in order to save estate taxes, it is better for the agent to stick to the purchase of new life insurance in order to guarantee payment of estate taxes upon the assured's death, said Harry Krueger, supervisor Recht & Kutcher agency, Northwestern Mutual Life.

"We can reduce this type of knowledge to a very simple process," Mr. Krueger pointed out. "Certain tax charges will be levied against the estate on the death of the prospect. Second, these charges must be paid in cash and relatively promptly. Third, for a negligible annual outlay, life insurance automatically provides the cash when the tax charges accrue and is the only practical plan because the incident which requires the cash also automatically creates the cash."

Mr. Krueger said: "In discussing life insurance for liquidation purposes, agents should refer to premiums so as to make them appear ridiculously small. The appeal in liquidation insurance must primarily be the financial one."

Connecticut General Meeting

Leading agents of the Connecticut General Life will attend a company convention at the Miami Biltmore Hotel Mar. 24-27. Those qualifying far exceed the number qualifying for any previous convention for which requirements were as high. Agents who doubled the requirements for attendance will be awarded airplane trips to Havana or Nassau.

KENTUCKY HOME MUTUAL LIFE INSURANCE COMPANY LOUISVILLE, KENTUCKY

STATEMENT As of December 31, 1935

ASSETS

| | | |
|--|--------------|---------------|
| Bonds— | | |
| U. S. Government..... | \$440,449.16 | |
| Railroad, Industrial and Municipal | 179,743.10 | \$ 620,192.16 |
| Cash | | 227,545.27 |
| Stocks | | 749,506.45 |
| First Mortgage Loans..... | | 85,607.66 |
| Collateral Loans | | 56,660.07 |
| Loans to Policyholders..... | | 2,512,759.58 |
| Policy Liens | | 5,789,998.49 |
| Net Premiums, uncollected and deferred | | 170,186.32 |
| Interest and rents, due and accrued... | | 45,494.55 |
| Home Office Building..... | | 2,250,000.00 |
| All Other Real Estate..... | | 1,980,277.45 |
| Miscellaneous | | 3,464.42 |

Total Admitted Assets..... **\$14,491,692.42**

LIABILITIES

| | |
|--|-----------------|
| Policy Reserve | \$13,471,970.54 |
| Policy Claims Awaiting Proof, or not reported | 79,583.20 |
| Reserve for coupons and dividends to Policyholders | 23,947.96 |
| Premiums and interest paid in advance | 94,096.06 |
| Reserve for Account not due..... | 45,000.00 |
| Accounts and Commissions due..... | 28,692.00 |
| Taxes accrued, but not due..... | 38,719.05 |

Total Liabilities

| | |
|--------------------------|--------------|
| Contingency Reserve | \$352,200.00 |
| Unassigned Funds | 357,483.61 |

Surplus to Policyholders..... **709,683.61**

Total **\$14,491,692.42**

The foregoing assets do not include the value of equipment, furniture and fixtures, balances in closed banks, bills receivable or agents' balances.

The above Statements of Assets and Liabilities are taken from the Statements made to the State Insurance Departments.

OVER
FORTY SEVEN MILLIONS (\$47,000,000)
INSURANCE IN FORCE

Worth Regenstein

President.

STRENGTH AND PROGRESS IN THESE FIGURES

Annual Statement December 31, 1935

ASSETS

| | |
|---|------------------------|
| Cash in Banks and Office—Balances are carried in 38 banks throughout the country..... | \$ 1,862,149.73 |
| Bonds—United States Government, State, Municipal, Railroad, Public Utility, and Miscellaneous | 4,557,771.07 |
| Stocks—at Market Values..... | 280,809.24 |
| Mortgage Loans—Secured by first mortgages on Real Estate appraised at more than double the amounts of the loans..... | 6,003,863.67 |
| Real Estate—Including Home Office Buildings Loans on Policies and Interest—Secured by policy reserves | 5,464,395.99 |
| Loans—Secured by Collateral..... | 12,050,570.76 |
| Interest and Rents—Due and Accrued..... | 125,254.50 |
| Deferred and Uncollected Premiums..... | 328,518.15 |
| Reserves are set up in advance on an annual basis. On policies payable quarterly or semi-annually the remainder of the current year's premium is carried in this item as a deferred premium against the reserve set up. This item also includes current premiums within the grace period. | 562,102.38 |
| All Other Admitted Assets..... | 66,375.27 |
| Total Admitted Assets..... | \$31,301,810.76 |

LIABILITIES

| | |
|--|------------------------|
| Policy Reserves—To meet policy obligations as they become due by death, maturity or disability | \$26,395,419.58 |
| Claims Due and Unpaid..... | NONE |
| Reserve for Death and Disability Claims—Upon which proofs have not been completed..... | 301,966.51 |
| Reserve for Claims—Upon which Notice of Death or Disability had not been received on December 31..... | 48,389.16 |
| Present Value of Installment Claims..... | 200,510.54 |
| Survivorship Funds | 2,450,176.30 |
| Policyholders' Funds—Including Dividends left on Deposit \$124,254.79; Dividends due and declared \$47,647.82; Deferred Dividends declared and allotted \$369,744.31; Premiums and Interest paid in advance \$196,212.46; Reserve Credits \$46,714.09..... | 784,573.47 |
| Reserve for Taxes—Payable in 1936..... | 173,390.06 |
| Other Liabilities | 45,812.91 |
| Reserve for Contingencies..... | 150,000.00 |
| SURPLUS TO POLICYHOLDERS: | |
| Capital Stock | \$2,000,000.00 |
| Surplus | 551,572.23 |
| Total Surplus to Policyholders..... | 751,572.23 |
| Total Liabilities | \$31,301,810.76 |

The company has \$4,485,216.65 in approved securities on deposit with the Department of Insurance, State of Illinois.

Payments to policyholders and beneficiaries in 1935—
\$3,060,715.06

Life Insurance in Force—\$124,330,415.00

Agency opportunities in fifteen States and District of Columbia, for Life, Accident and Health insurance.

Write K. B. Korrad, Vice President, Director of Agencies

**ILLINOIS BANKERS LIFE
ASSURANCE COMPANY**
MONMOUTH, ILLINOIS

Life

Accident

Health

PRACTICAL SELLING PROBLEMS TAKEN UP

(CONTINUED FROM PAGE 2)

year endowment. Not only that, they gave me prospects, lots of them.

"On completing a package sale don't attempt to make a definite close. Just be sure you do not stop your prospect from buying. Be well prepared before you go to talk about your great idea. Get really enthusiastic over it. When you are through, shut up. Assume you have gotten the business even though he has not said so. But above all tell your story interestingly and enthusiastically."

Close or Failure Is Product of First Interview

Kenneth F. Comstock of the Keane agency, Massachusetts Mutual, discussed closing the program sale. "Our experience definitely proved that the closing or failure of a sale begins with the first interview," he said. "Before I make any approach I must ask myself, 'Where did I get this prospect?' And since most of my sales are through references, I probably got this name from a client. When a client gives me a name, invariably I get sufficient information about the man so that I know how to start to close in my first interview—not that I close him in my first interview but I know how to start."

"During the interview, while asking him questions in the most subtle manner to develop vital information, I am crystalizing in the mind of the prospect that there is a tremendous gap between the reasonable needs of his family and the income that his total estate will produce when it has finally gone through the shrinking processes. I would say briefly, that closing is made up of four component parts: 1—The preliminary work—getting the information; 2—the verbal presentation of a picture that is so natural, so necessary to him and to those who survive him, so life-like and so attractively painted that the prospect wants to own it; 3—the courage and confidence to give the prospect a chance to buy; 4—the ability to meet and answer his objections should he wish to procrastinate."

Two Advantages from Programming Are Given

Presentation of the program sale also was discussed by Jerome Siegel, supervisor, Garrison agency, New York City. "When we program a man's insurance," he said, "we are virtually creating a well founded trust. It is necessary to show the policyholder what advantages he derives from having his insurance programmed. There are two distinct advantages. First, it gives the policyholder an objective; second, it guarantees that the distribution of his life insurance estate will be carried out to the greatest advantage of his family."

Mr. Siegel gave an approach used on old policyholders that has proved successful in the agency. "I have not placed too much stress on educational funds. In a program that is designed to take care of the average policyholder's needs, such as I have presented, the question of education should be left to the beneficiary, she is the one that should decide as to the extent of the education. I did not show the amount of insurance needed to complete the program. The reason is, that I was presenting to the policyholder the amount of income necessary to carry out the program. If he agreed to the program, I would have him examined and have the policy issued with the necessary beneficiary provisions in it, and when I went back with the policies I would let the close take care of that end."

Motivation is the most powerful weapon in the close and it should be used freely, said Hubert Davis, Knight agency Union Central Life, who spoke on closing the specialty sale. "Let us never forget that figures may convince and impress the prospect but will never sell him," warned Mr. Davis. "He will take action only when he is moved emotionally. Both types of motivation should

be employed—word and picture. If we must employ figures let them be figures of speech or pictures of the human figure. It must be remembered that the effect of motivation is not lasting but very fleeting."

"There is an art in telling a motivating story which can be acquired by practice. The prospect must not feel that it is a story, so it must be inserted smoothly into the conversation."

"One of the most difficult conditions to overcome in a prospect is complacency and there is plenty of it. It is extremely difficult for a man whose business is good, whose income is substantial, whose investments are sound and to whom the future looks very rosy to believe that anything can interfere with the continuance of the prosperous conditions. We must jolt him if we are going to get any action out of him. I have found that while they resent being told that their condition may change for the worse they respond to pictures of other men similarly placed who have suffered financial reverses."

"I want to tell you, Mr. Prospect, no contract I have ever arranged gave me more pleasure than that annuity."

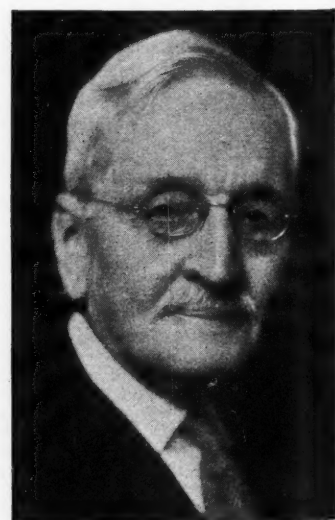
"Pictures from insurance journals, illustrated company literature, and items culled from newspapers and magazines are excellent material for motivation."

"Now some people consider a sale closed when the medical is arranged; others when the application is signed and still others when the check is secured. For my part I belong to the still others school and do not think that anything has been accomplished until the check is safely tucked away in my pocket."

The time to close is as soon as possible after you begin the presentation, said F. R. Amthor, supervisor of agents' training, Equitable of New York home office. He stressed that all ideas presented were assembled from experience of successful Equitable agents."

A try-out close might be used in the early stages of presenting an educational policy. It is important to assume implied consent and not to ask questions which seem to assume anything else, Mr. Amthor warned. He listed three ways of

Is Retiring



DR. CHARLES D. ALTON

Dr. Charles D. Alton, who was tendered a dinner in Hartford by members of the Connecticut Mutual's official staff, on the occasion of his retirement from service after 60 years with the company, in addition to being the senior official in number of years, is also the senior in age, being nearly 91. He started with the company in 1876 and has been in daily attendance at his office.

making it easy to get the medical examination: First, push the application at the prospect and hand him a pen. Second, make some movement—hand him a pen, ask him to write something, and then push the application at him. The third, and generally most effective way, he said, is motivation, i. e., giving a quick summary of objectives covered by the plan recommended.

Thought of Commission Greatly Endangers Sale

The agent, in seeking binding receipts, should keep away from the mental attitude that his own commissions are at stake but rather feel that he has an obligation to his prospect to place the company on the risk at the earliest possible moment that it has evidence of insurability. Surveys have shown, he said, that in 80 percent of the cases where prepayments were not obtained, they were not asked for.

It is only a question of time until women as well as men are included as members of life insurance boards of trustees, F. P. Keppel, president Carnegie Foundation and trustee of Equitable Life of New York, predicted at the banquet. He pointed out that farmers and labor leaders, laboratory workers, journalists, parsons and school superintendents have their important contribution to make to an all 'round American point of view no less than the lawyers, business men and bankers who make up the great bulk of the companies' board memberships.

Neglect of Research Is Charged by Keppel

"Does it stand to reason that life insurance can be the only great modern social instrument which can afford to neglect fundamental research? By and large, I feel that this is essentially what it is doing today, and this in spite of the example set by a few companies.

"So far as I know, no insurance company saw the opportunity which the late unlamented depression provided to drive home a fundamental lesson to the American people, and indeed to the whole world. That lesson, as I see it, had to do with the stabilizing influence of insurance in times of economic crisis. Every man in this room knows instance upon instance in which insurance saved the day—a policy loan which provided essential liquid capital. The storm was weathered through a spirit of confidence that whatever happened there was one equity upon which a man's family could rely. Certainly no man has any conception of the total service rendered, though even a rough estimate would be a social document of immense significance."

Prudential Has Many Veterans

NEWARK, March 12.—The membership of the Old Guard Association of the Prudential, shows the following membership of Class A (5 years) is 11,570; Class B (10 years) 5,184; Class C (15 years) 2,403; Class D (20 years) 1,567; Class E (25 years) 1,536; Class F (30 years) 754; Class G (35 years) 413; Class H (40 years) 152; Class I (45 years) 36; Class J (50 years) 7. The total membership is 23,622, an increase of 1,358 in 1935.

Benevolent Society Sued

The Our Mutual Aid System of Sanpete was made defendant in a complaint filed in district court at Manti, Utah, signed by Commissioner Smith and Attorney-General Chez. Assistant Commissioner Ottosen testified that the society since last May refused to file qualification papers under the benevolent insurance law.

The Wasatch Benevolent Society, Salt Lake City, recently refused to comply with the department's demands and was forced out of business.

M. G. Johnson Retires

Murdock G. Johnson, veteran of 30 years of service with the Manufacturers Life and for the greater portion of that period manager of its branch in Kingston, Ont., is retiring.

Two Interview Plan Is Used by Bruce Parsons

Bruce Parsons, volume leader of the Mutual Benefit and million dollar producer, from the time of going with the company in 1924 until about 1927, steadily increased his annual volume from something over \$200,000 to nearly \$600,000, using a one call system. But when his production had risen to nearly three-quarters of a million, his old method was less effective and he made a change to a two interview plan in which he presented a carefully prepared program of distribution with a simpler appeal based on the need for savings and protection.

In three of the last four years he has been a member of the Mutual Benefit's Million Dollar Club and of the insurance paid for in the period more than 90 percent was written on lives new to the company. He is connected with the Chicago office.

Distribution of Business

About half the 1935 business came from his own policyholders, another 40 percent from the endless chain prospecting method and the balance from office leads on Mutual Benefit policyholders and personal friends not previously sold. About 60 percent of both lives and volume resulted from the need for more family protection, and investment policies and business insurance account for the balance.

Mr. Parsons' 1935 volume of \$1,128,500 was on 54 lives and represented 59 sales. He secured four lives or 9 percent of his volume from office leads, 27 or 49.5 percent from policyholders, 21 or 40 percent from endless chain methods, none on cold canvass and two or 1.5 percent from personal friends and relatives.

Family Protection Leads

His analysis of his year's production shows family protection was the dominant motivating idea, resulting in 41 sales for \$631,500. Investment policies were second, seven sales for \$261,000; business insurance third, six sales for \$225,000; mortgages and specific debts two, for \$6,000, and savings (no dependents) three for \$5,000.

He made two sales for \$100,000, five for \$50,000, five \$25,000/\$45,000, eight \$16,000/\$25,000, nine \$11,000/\$15,000, 14 for \$10,000, nine for \$5,000, seven \$1,000/\$4,000. His average for the 59 sales was \$19,000 and the average insurance on the 54 lives was \$21,000.

Three Named Associate Counsel

Three members of the legal staff of the National Life & Accident of Tennessee have been elected officers of the company with the title of associate general counsel. They are: J. M. Peebles, Douglas Henry and G. H. Tyne.

PERSONALS

Assistant Secretary S. G. Huntington of the Connecticut General Life is retiring after completing 50 years of service with the company. A testimonial dinner was tendered him by his associates. When he entered the employ in 1886, the officers and four clerks composed the staff.

Agents of Protective Life are observing "Clabaugh Month," during March in honor of Sam F. Clabaugh, who has just rounded out 10 years as president. Agents so far this month have produced more business than for any similar March period in the history of the company.

The Protective Life of Birmingham lost its first and oldest agent in the recent death of E. T. Long at Eufaula, Ala., who had been with the company 29 years. President Sam F. Clabaugh represented the company at the funeral. Mr. Long was a personal friend of Wil-

liam D. Jelks, founder and first president of the company. In 1932 the company gave a barbecue in honor of Mr. Long's 25 years' connection with the organization.

Boston Council Changes Date

The Boston Life Insurance Trust Council has changed the date and program of its meeting for April to March 20. "The Optional Mode of Settlement and the Life Insurance Trust" will be discussed by Albert G. Borden, vice-president Equitable Life of New York. The program originally planned for March will be held in April.

Wants Power of Lobby

E. D. Toland, one of the masters of St. Paul's School, Concord, N. H., has written an open letter to the American Federation of Investors, Chicago, urging formation of a "lobby" representing average citizens, whose life insurance

policies would be depreciated by inflation. "If your organization could only add the word insurance to its title, it would have a far more general and effective appeal," Mr. Toland wrote. "What a lobby it would be for the plain ordinary citizen, the average taxpayer, upon whom this congress is counting to repair its work!"

After Unlicensed Companies

Commissioner Hunt of Pennsylvania made a stirring plea before the annual dinner of the Philadelphia Insurance Society, asking insurance men to aid in his campaign to "drive the crooks and unauthorized companies from Pennsylvania." He thinks that unlicensed companies have been taking about \$5,000,000 a year out of the state. As he has made more careful calculations, he revises his figures upwards. There are 180 of these unlicensed concerns roaming in Pennsylvania, he said. About 25 do the large amount of business.



Blindfolded— When It Comes to Family Affairs

Most men give their jobs first call on their energies. They are very nearly blind to other even more urgent obligations — their family affairs.

You know how this works out. Too often men with ample earnings leave their children in want or reach old age penniless. For a certain number of families you can prevent such disasters. Their family affairs are your job and being your job have first call on your energies.

It is not just a matter of selling appropriately arranged life insurance — important as that is. It is your job to see that your clients and their wives have suitable wills; extraordinary things happen when the state distributes property. It is your job to avert unnecessary charges and taxes against the insurance estate.

Then by organizing their life insurance to replace earned income you give your clients a financial program that will take them where they want to go.

Such work is not difficult for accurate and conscientious agents who can draw on the highly specialized information accessible to Connecticut General men.

**Connecticut General
Life Insurance Company**
Hartford, Conn.

FIGURES FROM DECEMBER 31, 1935 STATEMENTS

| | Total Assets | Change in Assets | Policyholders Surplus | New Bus. 1935 | Ins. in Force Dec. 31, 1935 | Change in Force | Prem. 1935 | Total Income | Benefits Paid | Total Disb. |
|--------------------------|--------------|------------------|-----------------------|---------------|-----------------------------|-----------------|------------|--------------|---------------|-------------|
| Amer. Citizens Life, O. | 173,820 | +18,624 | 113,003 | 266,464 | 1,223,611 | | 28,169 | 34,832 | 4,848 | 23,076 |
| Church Life, N. Y. | 3,092,905 | +602,965 | 989,462 | 1,903,530 | 19,242,325 | +1,205,970 | 955,122 | 1,083,837 | 372,831 | 501,056 |
| Confederation Life, Can. | 105,992,362 | +7,289,989 | 3,514,487 | 47,730,122 | 387,064,752 | +21,850,811* | 14,860,244 | 21,678,258 | 11,150,106 | 15,073,233 |
| Cont. Assur., Ill. | 22,180,672 | +2,226,968 | 3,291,382 | 39,037,051 | 193,955,746 | +18,272,749 | 4,555,127 | 5,932,026 | 1,879,496 | 3,946,705 |
| Crown Life, Can. | 23,669,128 | +2,584,229 | 1,324,031 | 26,622,753 | 156,989,682 | +9,128,219 | 5,161,012 | 6,568,011 | 2,339,065 | 4,056,308 |
| Durham Life, N. C. | 3,550,775 | +448,239 | 647,736 | 30,301,364 | 47,279,287 | +4,440,414 | 1,875,320 | 2,076,205 | 658,103 | 1,665,087 |
| Gibraltar L. & A., Colo. | 2,549,854 | +359,285 | 431,704 | 15,081,629 | 40,251,063 | +2,223,226 | 1,118,237 | 1,610,377 | 287,697 | 1,285,078 |
| Illinois Bankers Life | 31,301,810 | +12,830,218 | 901,572 | 71,896,107 | 124,330,415 | +50,763,404 | 3,310,501 | 17,558,388 | 2,996,571 | 4,633,136 |
| Michigan Life | 4,855,307 | —300,778 | 922,431 | 5,436,729 | 27,789,234 | +48,226 | 624,866 | 1,174,227 | 468,891 | 1,196,094 |
| Republic Life, Tex. | 933,629 | +27,131 | 200,259 | 2,816,819 | 11,134,336 | —670,814 | 314,509 | 401,074 | 176,969 | 371,833 |
| Southland Life, Tex. | 20,093,892 | +542,220 | 865,525 | 16,864,694 | 115,312,382 | +270,420 | 2,998,965 | 4,149,177 | 1,980,770 | 3,470,423 |
| Unity Mut. Life, Ill. | 29,313 | +7,744 | 2,576 | 1,536,531 | 1,721,925 | —81,139 | 82,001 | 89,299 | 19,171 | 83,035 |
| Universal Life, Tenn. | 597,132 | +27,307 | 219,034 | 11,287,194 | 15,031,220 | —800,326 | 861,801 | 886,280 | 364,918 | 877,384 |

**Includes capital.

*Includes \$11,430,181 from Capital Life.

†Life department only.

†Includes Abraham Lincoln reinsurance, \$60,602,509.

Sales Leaders in 1935 for Many Companies Are Given

(CONTINUED FROM PAGE 9)

955,800; (7) Cal., \$1,795,536; (8) Penn., \$1,667,457; (9) New Hampshire, \$1,492,492; (10) Vermont, \$1,303,355.

NORTHWESTERN UNION LIFE

PRODUCERS: (1) D. J. Larrell, Ottawa, Ill., \$102,500; (2) E. J. Sawyer, Ottawa, Ill., \$50,000; (3) D. L. Frantz, Pontiac, Ill., \$41,000.

PACIFIC MUTUAL LIFE

PRODUCERS: (1) C. P. Hochstadter, Cincinnati, \$1,122,000; (2) R. E. Denman, Cincinnati, \$1,073,000; (3) A. L. Geller, Houston, Tex., \$1,060,000; (4) W. W. Averett, Lynchburg, Va., \$957,000; (5) R. A. Schoder, Wichita, Kan., \$669,000; (6) C. F. Linder, Oklahoma City, 0632,000; (7) L. G. Campbell, Oakland, Cal., \$559,000; (8) Dr. J. B. Wachtel, Oklahoma City, \$553,000; (9) C. L. McPherson, Lynchburg, Va., \$525,000; (10) J. H. Smith, Los Angeles, \$516,000. AGENCIES: (1) J. E. Garland, Farmville, Va., \$6,950,000; (2) J. H. Russell, Los Angeles, \$6,857,000; (3) Delancey Lewis, San Francisco, \$5,669,000; (4) J. M. Gantz, Columbus and Cincinnati, \$5,373,000; (5) E. E. Henderson, Chicago,

\$4,168,000; (6) F. B. Schwentker, Phoenix, Ariz., and El Paso, Tex., \$3,638,000; (7) C. C. Day, Oklahoma City, \$3,530,000; (8) Gist Paschall Co., Los Angeles, \$2,957,000; (9) E. L. Jenks, Atlanta, Ga., \$2,917,000; (10) E. W. Albachten, Detroit, \$2,814,000. STATES: (1) Cal., \$178,102,193; (2) Texas, \$49,880,233; (3) Ohio, \$43,128,417; (4) Ill., \$29,680,721; (5) Va., \$29,275,387; (6) La., \$19,245,922; (7) Okla., \$18,017,466; (8) Penn., \$16,797,934; (9) Wash., \$12,618,153; (10) Mo., \$12,376,790.

OHIO STATE LIFE

PRODUCERS: (1) Alfred Guay, Los Angeles; (2) Earl K. Townsend, Kansas City; (3) C. R. Harvey, Dayton, O.; (4) J. C. McFarland, Cincinnati; (5) M. D. Schickendantz, Akron; (6) William H. Hecht, Celina; (7) A. E. Demillo, Pittsburgh; (8) Henry Stevens, Toledo; (9) E. S. Spear, Gallipolis, O.; (10) T. S. Holcomb, Charleston, W. Va. AGENCIES: (1) Pittsburgh, (2) Columbus, (3) Cleveland, (4) Michigan (Detroit), (5) Akron, (6) Marion, (7) Chicago, (8) Newark, (9) Indianapolis, (10) Youngstown. STATES: (1) Ohio, (2) Penn., (3) N. C., (4) Mich., (5) Ill., (6) West Va., (7) Texas, (8) Mo., (9) Cal., (10) Indiana.

PACIFIC NATIONAL LIFE

PRODUCERS: (1) Othello Hickman, Logan, \$136,760; (2) Gene Hickman, Salt

Lake City, \$124,625; (3) J. W. Nixon, Idaho Falls, Ida., \$108,166; (4) G. F. Hickman, Salt Lake City, \$103,500; (5) C. Gale Baker, Burley, Ida., \$97,500; (6) J. Milton Olsen, Cheyenne, Wyo., \$96,379; (7) L. B. Sylvester, Monte Vista, Colo., \$80,500; (8) Ray B. Evans, Billings, Mont., \$62,750; (9) C. C. Baker, Burley, Ida., \$53,250; (10) R. W. Evans, Butte, Mont., \$50,750. AGENCIES: (1) R. W. Evans, Butte, Mont., \$225,500; (2) J. Milton Olsen, Cheyenne, Wyo., \$182,975; (3) Othello Hickman, Logan, Utah, \$175,125; (4) G. F. Hickman, Salt Lake City, \$169,000; (5) Gene Hickman, Salt Lake City, \$148,750; (6) J. W. Nixon, Idaho Falls, Ida., \$135,250; (7) L. B. Sylvester, Monte Vista, Colo., \$82,250; (8) Hymas & Mann, Ogden, Utah, \$82,563; (9) H. G. Spencer, Las Vegas, Nev., \$80,416; (10) R. B. Evans, Billings, Mont., \$63,000. STATES: (1) Utah, \$348,522; (2) Mont., \$288,500; (3) Idaho, \$310,625; (4) Wyo., \$182,975; (5) Colo., \$87,000; (6) Nevada, \$80,416; (7) Cal., \$37,303; (8) Ariz., \$2,000.

PAN AMERICAN LIFE

PRODUCERS: (1) F. O. Davis, Kansas City, Mo., \$753,100; (2) T. N. Whitehurst, Beaumont, Tex., \$535,859; (3) H. J. Durand, Lafayette, La., \$476,971; (4) F. L. Barrow, Baton Rouge, La., \$470,928; (5) A. J. Shropshire, Atlanta, \$412,181; (6) Stanley Watson, Kansas City, \$387,250; (7) J. C. Johnson, Pensacola, Fla., \$353,808; (8) H. S. Reeder, Paris, Texas, \$324,000; (9) Miss B. B. Macfarlane, New Orleans, \$284,000; (10) Mrs. M. B. Henry, Natchitoches, La., \$261,000. AGENCIES: (1) New Orleans, New Orleans, \$1,715,063; (2) Davis & Watson, Kansas City, \$1,329,650; (3) Pennsylvania Underwriters Co., Pittsburgh, \$1,059,604; (4) Fredsall, Minneapolis, \$889,638; (5) Durand, Lafayette, La., \$788,150; (6) S. W. Texas, San Antonio, \$680,500; (7) Shropshire, Atlanta, \$639,862; (8) McKenzie, Alexandria, La., \$630,704; (9) Ginter, Chicago, \$605,150; (10) Ogle, Birmingham, \$582,273. STATES: (1) Louisiana, \$4,411,807; (2) Texas, \$3,627,114; (3) Missouri, \$1,751,617; (4) Florida, \$1,251,891; (5) Georgia, \$1,190,941; (6) Pennsylvania, \$1,059,604; (7) Illinois, \$969,850; (8) Alabama, \$949,123; (9) Oklahoma, \$907,381; (10) Minnesota, \$889,638.

PENN MUTUAL LIFE

(Figures show insurance volume only.) PRODUCERS: (1) Felix U. Levy, New York, \$900,496; (2) Stanley F. Transue, Philadelphia, \$846,480; (3) Harry E. Wuertenbaeher, Jr., St. Louis, \$731,760; (4) Harry Phillips, Jr., New York, \$711,558; (5) Lawrence Willet, Atlanta, \$665,674; (6) Thomas M. Scott, Philadelphia, \$640,811; (7) G. A. Jackson, New York, \$577,307; (8) Joseph H. Reese, Philadelphia, \$564,244; (9) Jack Leventhal, Newark, \$514,918; (10) George A. Knox, Brooklyn, \$497,274. AGENCIES: (1) John A. Stevenson, Philadelphia, \$22,360,880;

(2) Osborne Bethea, New York, \$10,464,162; (3) Holgar J. Johnson, Pittsburgh, \$6,709,415; (4) Alexander E. Patterson, Chicago, \$6,543,716; (5) John E. Gibbs, Newark, \$5,702,763; (6) Ralph G. Engelman, New York, \$4,739,123; (7) E. R. Eckenrode, Harrisburg, \$4,454,762; (8) Stumes & Loeb, Chicago, \$4,415,267; (9) Rene P. Banks, Cleveland, \$3,664,461; (10) W. A. Alexander & Co., Chicago, \$1,505,944. STATES: (1) Pennsylvania, \$30,701,336; (2) New York, \$27,809,615; (3) Illinois, \$14,657,650; (4) New Jersey, \$10,504,387; (5) Ohio, \$7,136,434; (6) California, \$6,929,330; (7) Michigan, \$5,377,172; (8) Missouri, \$4,142,426; (9) Iowa, \$3,821,121; (10) Georgia, \$3,643,860.

PEOPLES LIFE, D. C.

PRODUCERS: (1) R. O. Collins, Rockville, Md., \$67,750; (2) A. E. Smith, Rockville, Md., \$64,000; (3) J. H. Moler, Fairmont, W. Va., \$61,000. DISTRICTS: (1) Rockville, Md., \$782,750; (2) Bluefield, W. Va., \$529,500; (3) Fairmont, W. Va., \$388,750. STATES: (1) Virginia, \$1,840,000; (2) Maryland, \$1,822,350; (3) West Virginia, \$1,012,250.

PILOT LIFE

PRODUCERS: (1) R. O. Browning, Burlington, N. C., \$294,250; (2) E. L. Williams, Sumter, S. C., \$204,000; (3) T. S. Pressly, Knoxville, Tenn., \$204,000; (4) N. M. Blackwelder, Hickory, N. C., \$179,000; (5) D. P. Boyette, Ashokie, N. C., \$174,511; (6) T. F. Barr, Bristol, Va., \$170,111; (7) F. J. Reynolds, Gate City, Va., \$151,350; (8) E. S. Yarbrough, Durham, N. C., \$151,150; (9) E. O. Wieland, Washington, D. C., \$131,150; (10) D. J. Duncan, Knoxville, Tenn., \$128,555. AGENCIES: (1) A. C. Stuart, Winston-Salem, N. C., \$860,880; (2) Southern Ins. Agency, Knoxville, Tenn., \$817,283; (3) O. Henry Ins. Agency, Greensboro, N. C., \$693,032; (4) C. R. Webb, Shelby, N. C., \$664,601; (5) L. W. Boykin, Bluefield, W. Va., \$542,504; (6) Tri-City Dist., No. 1, Greensboro, N. C., \$497,100; (7) R. C. Simpson, Greenville, S. C., \$483,600; (8) H. D. Waldrop, Goldsboro, N. C., \$463,100; (9) F. J. Reynolds, Gate City, Va., \$449,900; (10) W. B. Kesler, Salisbury, N. C., \$449,500. STATES: (1) N. C., \$6,256,713; (2) S. C., \$1,471,250; (3) Va., \$1,460,650; (4) Tenn., \$877,001; (5) W. Va., \$521,504; (6) Ky., \$196,783; (7) Tex., \$178,000; (8) D. C., \$122,650.

(CONTINUED ON PAGE 26)

Minimum Premium Rule

Expense of handling small premiums has caused the Northern Life to establish minimum premium rules. No application with less than \$3 monthly premium will be considered, cash for first month being required. No quarterly or semi-annual premium of less than \$5 will be accepted. The rule does not apply to salary continuance or payroll accounts. Commercial accident and health will not be written on a monthly premium basis.

Farmers & Bankers Nebraska Meet

A regional meeting of agents of the Farmers & Bankers Life of Wichita, Kan., was held Saturday at Lincoln, Neb. Company officials who attended the convention were F. B. Jacobshager, secretary; H. W. Milner, general agent; E. C. Groover, Harry W. Sloan, and C. C. Alexander.

Life Notes

The meeting of the Boston Life & Accident Association will be held Friday evening of this week.
Hans C. Hansen, 69, for years district agent at Atchison, Kan., for the Penn Mutual Life, died of heart trouble.

PERSISTENCY AND COMMISSIONS

"Are you kidding yourself?" That question was asked agents in Union Central agencies in Buffalo, Rochester, Syracuse and Springfield, Mass., by E. J. Schindler, agency secretary, on a trip to the east. Mr. Schindler's question, the basis of talks in Buffalo and Rochester and of discussions in the other agencies was the result of a survey which he has conducted revealing the relationship between persistency and commissions.

Pointing to the need for a more careful primary selection of risks, Mr. Schindler asked: "Are you making a living in the business? Are you exer-

cising the care you must if you are to get a maximum return for each application written? The answer lies in the selection which you, the agent, make in the first place. Upon the persistency of that business rests, in a large degree, your financial future. And because that is true it behooves every life man to concern himself with the quality of the business he writes."

Mr. Schindler's visit to Springfield coincided with the installation of Manager C. S. Merriam who then assumed the development of western Massachusetts for the Union Central.

MUTUAL TRUST

LIFE INSURANCE COMPANY



AS FAITHFUL AS OLD FAITHFUL

AS STRONG AS THE STRONGEST

because . . .

THE ONLY Illinois Mutual Full Level Premium Reserve company and one of 24 such companies in the United States.

ONE continuous management throughout its entire history of 31 years.

OPERATES on 3% reserves and is one of the five or six lowest net cost companies in the United States regardless of age or size.

Licensed in the East as well as the West:

| | | | |
|--------------|---------------|------------|--------------|
| Maine | New Hampshire | New Jersey | Minnesota |
| Vermont | Massachusetts | Michigan | North Dakota |
| Rhode Island | Connecticut | Wisconsin | South Dakota |
| | | Illinois | California |
| | | Iowa | Washington |
| | | Nebraska | Oregon |

MEN WHO BELIEVE THEY HAVE GENERAL AGENCY QUALIFICATIONS MAY OBTAIN FULL PARTICULARS BY ADDRESSING THE AGENCY DEPARTMENT.

Special Class Is Profitable Field

(CONTINUED FROM PAGE 1)

him that any form of protection is offered. Those salesmen who succeed in delivering the highest ratio of special class contracts invariably tell us that they approach their prospect in exactly this state of mind.

"Special Class" Term

2. These successful salesmen rigidly apply our company's theory of never referring to the applicant as a "sub-standard" risk or the policy as a "sub-standard" one. Instead of "sub-standard," they use the term "special class," which may be interpreted to mean especially good rather than especially bad. At any rate, it does not convey the idea of a penalty or reflect upon the applicant's physical or moral standing.

3. All salesmen have occasional special class cases where the applicant appears to feel that the increasing of his premium rate reflects upon his standing. Many of these successful salesmen overcome that attitude by reminding the applicant that under practically all forms of insurance there are various classifications with different premium rates for each class.

Underwriters need only point to the well established policy of classifying applicants for accident insurance according to the hazard of their occupation or duties. Since the hazard of death is more influenced by physical conditions or habits, applicants for life insurance are classified according to those factors more than by occupation—although the occupational hazard is not entirely ignored.

Discourage Postponement

4. Sometimes the applicant when informed of the necessity of a slightly increased rate, and when the reason therefor is one that may disappear within the next few years, will suggest that instead of paying the extra rate he will postpone the insurance until he can secure a standard rating.

Successful salesmen find two ready answers to that suggestion. First, instead of recovering from the condition necessitating the present rating there is a grave chance of the applicant's becoming still more impaired. Second, even though he did recover within a few years, the standard rate will have increased in the meantime to where it may equal or exceed the special rate now available.

If he purchased the special class contract and at the end of the year his condition is improved so that he is a standard risk, he may continue the contract at the rate for his original age. On the other hand, if his condition is worse, he will have obtained insurance protection which he might not be able to obtain at any price if he elects to postpone his application for one year.

Individual Expectancy

5. Most successful salesmen talk "group mortality," not individual expectancy. They never imply to their applicant that they believe he might not outlive his full expectancy despite the condition necessitating the increased rate. They explain to him that rates are based upon group experience and that out of a large group—say of 1,000 or more individuals—found to have the same physical defect or impairment as his own, experience shows that the group mortality would be a given percentage higher than under a like group free from such impairment. The extra rating is only made high enough to cover such extra mortality hazard.

Underwriting Knowledge

6. There will be many cases where the salesman familiar with the company's underwriting rules will know from the information shown in the application of the probability, or even certainty, of the contract's being issued at a special class rate. The likelihood of delivering such a contract will be much

greater where the applicant is forewarned of the uncertainty of what the exact rate will be.

8. Finally, one salesman with an unusually successful record in the delivery of special class cases sometimes tells the applicant that as far as the company is concerned, they would be better pleased if the contract were returned for cancellation than if delivered to him. He impresses the applicant with the idea that he, the salesman, is conferring a favor on him by having persuaded the company to offer the contract at the special rate. He tells us that frequently the applicant shows much greater interest in securing it when he learns that the company is not so particular about his having it than when left to believe that they were eager to have him accept it.

"While the percentage of special class cases is not large," Mr. Higdon points out, "it is large enough so that the salesman's earnings over a considerable period will be substantially greater if he succeeds in delivering such special class contracts as are issued to his applicants."

Sales Ideas by Producers Offered at Chicago Clinic

(CONTINUED FROM PAGE 1)

life and their relation to the individual, describing the family as a corporation with the wife and child as preferred stockholders. He stated this conception of the status of the family could be vividly described to the prospect, gave details of a planned sales talk along these lines and illustrated various ways to motivate the prospect to complete the transaction. He also detailed three or four methods of closing which he had successfully employed in his own production.

"Profitable Prospecting" is the theme of the next sales clinic sponsored by the Chicago association, to be given March 25 under the direction of the Acacia Mutual Life at Chicago.

Research Bureau Appoints Jamison and Mathus Aids

(CONTINUED FROM PAGE 3)

upon data secured in more than 90,000 miles of travel, with interviews and consultations held with hundreds of successful salesmen and managers in all parts of the country. He also has written more than 35 articles which have appeared in magazines in this country and abroad.

Founder of Association

He has been prominently identified with movements to advance the life insurance business and was one of the founders of the Life Advertisers Association.

In the bureau he will be editor of the "Manager's Magazine" and "Handbook of Agency Management." In addition, his knowledge of sales promotion activities will be of great value.

Lineup of Committees for National Convention Given

(CONTINUED FROM PAGE 3)

Travelers; transportation, M. E. Watson, Boit, Dalton, Church & Hamilton; women guests, Mrs. Elbert H. Brock; women underwriters, Corinne V. Loomis, John Hancock Mutual, all of Boston.

PUSH DENVER FOR 1937

DENVER, March 12.—That Denver will make a determined effort to obtain the 1937 convention of the National Association of Life Underwriters was evidenced at a meeting of the directors of the Colorado association here Monday. The board voted to renew its invitation to the National group to meet in the mountain capital in 1937 and instructed Isadore Samuels, general agent New England Mutual and national committeeman, to present the bid at the

national council meeting in Kansas City next month. J. Stanley Edwards, general agent Aetna Life and past president of the National association, was also delegated as a representative to this April meeting.

Planning Texas Expansion

Three home office executives of the State Mutual Life, which entered Texas last January, are touring the state preliminary to further expansion of activities there. H. T. Childre was appointed general agent at Dallas when the company began operations in Texas, and ad-

ditional general agents are to be named at other points. The home office men conferring with Mr. Childre are: Stephen Ireland, vice-president and superintendent of agencies; J. H. Eteson, assistant superintendent of agencies, and Dr. H. H. Amiral, medical director.

Harold H. Boycott has been appointed agency supervisor for the F. A. Kiger Agency of the Massachusetts Mutual Life at Wheeling, W. Va. Previously he had been connected with the Wheeling agency of the Northwestern Mutual Life for the past seven years where he made a fine record as a personal producer.

Central Life Salutes FAMOUS MEN OF ACTION

GEORGE WASHINGTON *hero of the Revolutionary War, first president, "Father of His Country"*



WASHINGTON
"First in war... first in peace... first in the hearts of his countrymen."
 By their accomplishments in recent years, Central Life representatives are known first as

'MEN OF ACTION'
 Quoting David P. Smith, general agent, Fort Dodge, Ia.:
"During my 28 years' association with the Society, I have never known it to be in better financial condition, if I may judge by the 40th Annual Statement, just received. For instance, there is \$1.09 in assets for every \$1.00 in liability, and both assets and surplus increased substantially during the past year. I can hardly believe our mortality is only 33.3%, particularly when I learn that our rejection ratio is only 4.6%. This record for 1935, and the change to the 3% reserve basis, will certainly help me in attaining my 1936 objectives, which have been set high."

CENTRAL LIFE

ASSURANCE SOCIETY
"Mutual"
 Des Moines, Iowa

MIDWEST'S BIGGEST "LITTLE" COMPANY



30-YEAR RECORD OF STABILITY

- 1 30-year record of stability.
- 2 Compact operating territory—closer cooperation.
- 3 Agency-minded home office personnel.
- 4 4th among Iowa companies in Iowa business written, 1934.
- 5 Wide range of modern policies.
- 6 Men and women written on equal terms.
- 7 Agents' direct mail advertising help.

Choice territories now available—Write

THE OLD LINE

Cedar Rapids Life INSURANCE COMPANY

Cedar Rapids, Iowa
 Colonel C. B. Robbins, Pres.
 C. B. Svoboda, Secy.—Jaw G. Sigmund, Vice-Pres. & Agency Director

EDITORIAL COMMENT

Excellent Record on Resisted Claims

THE NORTHWESTERN MUTUAL LIFE in its annual report some years ago inaugurated the custom of telling about its resisted claims. In life insurance, until disability and double indemnity clauses were introduced, there were very few instances where liability was denied. Unfortunately these latter day side shows have resulted in considerable litigation. Accident and health insurance very naturally leaves in its wake disputes, because claims are often subject to adjustment and compromise. There are very many border line cases where a controversy arises. The policyholder may be very sincere and honest in his convictions and the company just as honest in its.

In life insurance itself a man is dead or alive. If he has fulfilled his contract there is no cause for dispute, if he dies. Therefore in these annual reports that the NORTHWESTERN MUTUAL includes in its general summary of the year's work, the resisted claims are few. As one scans them he could not but feel that there was no doubt on part of the company as to its position.

In going over the resisted claims in the report as of Dec. 31, 1935, there were 34 death claims, the total being \$358,766. It is stated that the NORTHWESTERN MUTUAL averages, under ordinary conditions, two

days after receipt of proof of death, in remitting payment. However, if it feels that there is any fraud or any illegal claim then it is its duty to policyholders to resist them.

In the list there are 12 claims where policies had lapsed, expired or surrendered before the policyholder died. In cases of this kind after death an old policy may be discovered and the beneficiary or estate may conclude that there is some liability. There were seven cases where suicide was committed during the contestable period. There were six cases where the assured disappeared. There were five cases where disability was claimed under waiver of premium. There were two cases of alleged misrepresentation in the application, one where the age was misstated and one where a second claimant came in where the proceeds had already been paid.

The NORTHWESTERN MUTUAL in a brief way gives a summary of the points in each case. What this company shows in its report is duplicated with any other honestly managed company. Life insurance disputes are infrequent. Contests come only occasionally. Of the thousands of death claims paid there are very few that ever get into court. Life insurance has given a most excellent account of itself in this regard.

President Regenstein's Good Work

It is a matter of great satisfaction to read the annual report of the KENTUCKY HOME MUTUAL LIFE of Louisville, issued by President ELLSWORTH REGENSTEIN. This company was confronted with tremendous obstacles. It was the old INTER-SOUTHERN LIFE and came into control of the ill-starred ROGERS CALDWELL and his cohorts. Mr. REGENSTEIN was general agent of the INTER-SOUTHERN LIFE at Cin-

cinnati. He is a man of conscience, one who takes his obligations seriously, who has a high sense of responsibility to policyholders. He took over the management of the company when the outlook was dubious and dark. He has accomplished something worth while and all who are acquainted with the situation are impressed profoundly with his considerable accomplishments.

Distribution of the Benefits

THE NEW YORK LIFE analyzes its death claims last year according to original occupation as given in the application blank. The distribution of the death benefits again shows the beneficence of life insurance and how it extends its sheltering arms over a wide field. The largest number of death claims went to merchants and their employees, 6,283. Next came manufacturers and their employees, 2,946. Officials and professional men were third with 1,557.

Farmers and their employees followed with 1,491. Wives and children came next with 1,156 and self supporting women 1,045. The rest are scattering, covering transportation, military and naval, servants, capitalists and miscellaneous occupations. There are only 72 recorded as "capitalists." This would indicate that life insurance money goes largely to those that really need it, thus justifying the sacrifice made by the policyholders.

Better Typography in Policies Needed

Improved typography will never make insurance policies popular reading. But it would be a great boon to agents and others who occasionally like to examine the exact contents of a contract. Nothing ex-

cept tradition would still send an eight-point or ten-point line of type sprawling across the full width of eight inches. "Sprawling" is used advisedly, because that is what the line does when the reader

tries to follow it. How far different sizes of type may be extended in a line to provide maximum ease of reading was determined years ago. Possibly no change has been made in insurance policies, on the theory that no one reads an insurance

contract anyhow. Certain it is, however, that if prizes are ever offered for common contractual documents distinguished by poor typography, some insurance company is going to win the prize, for most policies are not easy to read.

High Rank of Canadian Officials

THE officials of Canadian companies are taking more and more, a higher rank in life insurance councils. Taken by and large, the Canadian companies are giving an excellent account of themselves. Their officials are conscientious, studious and energetic. Some of the most thoughtful, helpful and profound papers that have been

read at life insurance meetings have originated from Canada company officials. The companies of the Dominion are cooperating in a very sincere way in all forward movements. The men in control have been trained in good schools, they have had an excellent experience and they can be relied on to live up to their obligations.

PERSONAL SIDE OF BUSINESS

George R. Kendall, president, and Claude P. Kendall, treasurer of the Washington National of Chicago, have returned from a trip to Honolulu.

Paul Rutherford, vice-president and general manager of the Hartford Accident is on a trip to the Pacific Coast and will not return to his office until the first of April.

G. N. Senff, former Kentucky insurance commissioner, may become postmaster at Mt. Sterling. He has been recommended for the appointment by Congressman Vinson. Mr. Senff was succeeded as insurance commissioner about a year ago by McKay Reed, Louisville, but remained with the department as chief deputy commissioner until a few weeks ago.

Reginald G. Moss, formerly editor of the "Underwriters Report" of San Francisco, has become connected with the Association of Casualty & Surety Executives on the coast. He will be engaged in public relations and legislative work with the title of special executive representative. He will work in cooperation with an advisory committee of Pacific Coast casualty executives.

Malcom M. Moore, general agent in Indianapolis, Massachusetts Mutual Life, has been named a director of the Indianapolis Board of Trade.

S. D. Krueger, St. Paul manager Equitable Life of New York, has returned from a month's vacation in Florida.

Mrs. Anna Dillon, widow of the late M. J. Dillon, for many years state manager in Minnesota for the Pacific Mutual Life, died in St. Paul. A son, R. G. Dillon, is now head of the St. Paul agency.

M. A. Linton, president Provident Mutual Life, Philadelphia, spoke on the social security act at the annual meeting of the National Metal Trades Association's Cincinnati branch.

A surprise banquet was held in honor of Albert Lee Smith, of Birmingham, who is celebrating his 25th anniversary as general agent of Jefferson Standard Life. E. P. Ross, comptroller; E. C. Klingman, superintendent of agencies,

and Miss Mary Tayler, secretary to the president, were present from the home office and other speakers included Frank S. Samford, president of Liberty National Life of Birmingham, and T. K. Byrne, vice-president of Birmingham Fire.

J. W. Simpson, superintendent-at-large Sun Life of Canada, has been spending a few days in San Francisco, after which he will return to Montreal by way of the Pacific Northwest, visiting agencies in that territory.

Edward D. Duffield, president Prudential, is on a vacation at Summerville, S. C.

W. W. Klingman, vice-president Equitable Life of New York, is vacationing at Miami, Fla.

Louis Behr, one of the leading producers for the Lustgarten agency Equitable Life of New York in Chicago, is on a vacation sojourn in California. He is expected to return about the first of April.

Harry O. Steel, Omaha general agent of the Union Central Life, was featured in the Omaha "Bee-News." He is erecting a 26-room purple martin "apartment house" for the first spring visitation of the birds. Mr. Steel has been making homes for the martins for many years and has come to be regarded as an authority on their housing problems—martins being finicky livers, demanding only the best quarters.

Sam C. Pearson, general agent Northwestern Mutual Life in Kansas City and western Missouri, was given a surprise dinner in honor of his 30th anniversary with the company, his 25th anniversary as a general agent, and his 20th anniversary as general agent for western Missouri. He started 30 years ago with Charles D. Norton, Northwestern Mutual general agent at Chicago, and has placed more than \$90,000,000 of business on the books.

P. R. Sanborn, 83, honorary vice-president Northwestern Mutual Life and a member of the board, died after an illness of several months. He was one of the oldest employees in point of service, having observed his 60th anniversary



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E. J. WOHLGEMUTH, President
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CINCINNATI OFFICE—420 E. Fourth St., Tel. Parkway 2140. L. H. Martin, Mgr.; Abner Thorp, Jr., Director Life Ins. Service Dept.; C. C. Crocker, Vice-President.

HARTFORD OFFICE—Room 502, 13 Asylum St., Telephone 7-1227. R. E. Richman, V. P.

NEW YORK OFFICE—1200-123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson, Assoc. Ed., R. B. Mitchell, Asst. Ad. Business Dept.—N. V. Paul, Vice-Pres.; W. A. Spiker and J. T. Curtin, Resident Managers

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sary Dec. 20. When he retired from active work five years ago he was vice-president in charge of mortgage loans. Mr. Sanborn was born in Appleton, Wis., Feb. 1, 1853. After studying law in the office of his father, was appointed federal district court clerk of eastern Wisconsin. Moving to Milwaukee, he worked two years in a bank, then went with the Northwestern Mutual Life in 1875. In 1890 he became superintendent of the loan department and second assistant secretary. He was made third vice-president in 1904. He played a major role in developing loan policies of the Northwestern Mutual.

Members of the field force of the North Dakota agency of the Guardian Life were dinner hosts in compliment to R. A. Trubey, agency manager, and Mrs. Trubey.

Norman H. Bastedo, Toronto manager Canada Life, is celebrating his 35th anniversary with the company. He has been manager for 24 years.

C. C. Day, general agent Pacific Mutual Life, has been elected chairman of the Oklahoma City Better Business Bureau's executive board.

S. S. Northington, general agent Connecticut Mutual Life, Los Angeles, who has been ill for several months but is now recovering his health, has been granted a year's leave of absence beginning March 1, and will take a complete rest. R. L. Ingraham, associate general agent, will have full charge of the agency during Mr. Northington's absence.

W. H. Harrison, vice-president and superintendent of agencies Atlantic Life, is back at the home office following a trip through Ohio and Alabama where he visited agencies.

G. V. Shipley, home office representative of the Occidental Life of California, has returned from a two months visit with Cravens, Dargan & Co. of Houston, state managers for Texas, accompanied by Price K. Johnson, assistant manager of that agency. While in Texas Mr. Shipley suffered a broken right hand in an automobile accident and is still carrying it in splints.

K. W. Hanna of Topeka, Kan., Reliance Life manager, has recovered from an exciting experience which he had during subzero weather when he was robbed and forced from his own car near Wichita, Kan., after a nine hour ride with a bandit. The race started when Mr. Hanna got into his car in front of his own home and was followed by a young man who began to ask directions. He then pulled his gun, got into the car and forced Mr. Hanna to obey orders. A few hours later the bandit ordered him to stop, partly undress, he was bound with adhesive tape and gagged with a handkerchief. He was again placed in the car. Near Wichita he was released. He was suf-

Does Special Work



THOMAS WATTERS

Attorney Thomas Watters of Des Moines, who is also member of a legal firm in Washington, D. C., is spending much of his time in New York City at the headquarters of the National Board of Fire Underwriters where in conjunction with that organization and the Association of Casualty & Surety Executives, he is making a study of all social security acts, both federal and state, that have an application to insurance. Mr. Watters was formerly deputy insurance commissioner of Iowa. He attends the conventions of the insurance commissioners, and possessing a smile and good nature that are par excellence, he has drawn many friends to him.

Burial Associations Exempt

OKLAHOMA CITY, March 12.—House bill 148, enacted by the 1929 legislature, is not in conflict with the state constitution, and burial associations operating under that law are not under the jurisdiction of the insurance commissioner, the Oklahoma supreme court holds. A case was brought against the Mid-West Burial Association of Oklahoma City to test the constitutionality of the law. Commissioner Read contended that the burial association was doing an insurance business, and should come under jurisdiction of his department. There are more than 100 of these associations in the state.

fering from exposure. Mr. Hanna notified the police and then he was taken to the home of J. L. Thayer, district agent of the company in Wichita. Later a young chap who had been released from prison six days before the crime was arrested and he confessed to the robbery.

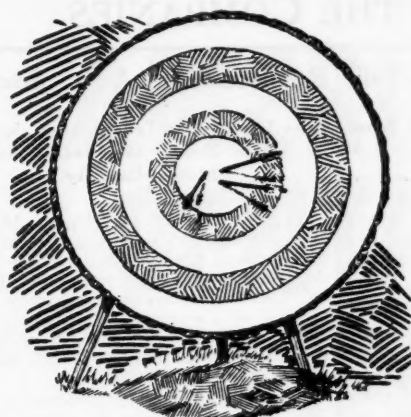
Features of Little Gem Chart

While the latest policy provisions, premium rates, cash values, dividend and net cost illustrations, constitute the main part of the new 1936 "Little Gem Life Chart," which will be off the press shortly, this reference book also provides financial and insurance data such as is not available from any other similar book.

This feature, a most important part of the "Little Gem," gives a five year report on over 250 companies. It is far more comprehensive than is available from any other source except more expensive publications or books giving financial data only. Some 100 pages giving 19 significant items from the statement of every company, make up this section, which is in the back part of the "Little Gem."

Among the items shown, which are unusual for books of this kind, are expense of management, net reserves, and a break-up of payments to policyholders, business paid for, amount gained, and amount in force, as well as assets, liabilities, surplus and of course income and disbursement figures, are also shown. In addition, the net interest earned, and the mortality ratios for five years are given. This whole section, included in the "Little Gem," could easily be issued as a separate publication, but it is included in the book as an extra feature, at no extra charge.

Copies of the 1936 "Little Gem" may be ordered from THE NATIONAL UNDERWRITER, 420 East Fourth St., Cincinnati. The price is \$2 per copy or at company club rate.



"in the gold" from every angle during 1935

Progress was registered in every department, enabling the Provident to close the year with the strongest financial statement in its history.

- Assets gained 10.4%, the largest total since organization
- Premium Income gained 14.2%
- Life Insurance in Force gained 10.7%
- Accident and Health Premiums, up 13.1%
- Surplus Protection to Policyholders, gained 11.4%

PROVIDENT

Life and Accident Insurance Company

CHATTANOOGA

LIFE .: ACCIDENT .: HEALTH .: GROUP

An Announcement

BEGINNING January 1, 1936, all policies issued by this Company will be priced at rates based upon the American Experience Table of Mortality and 3½% interest. Tabular Reserves at that rate provide liberal non-forfeiture values.

Our new policies are written under the most modern plan of life insurance and are devised to meet in the future, the kind of problems presented to both Agents and Policyholders by the late depression.

We have a policy to meet any life insurance need—from short term to endowments, and they are all fully participating.

Agency openings in
Illinois, Indiana
Michigan and Missouri

BANKERS MUTUAL LIFE CO.

FREEPORT, ILLINOIS

Founded in 1907

NEWS OF THE COMPANIES

President Greenwood's Talk

Great Southern Life Head Gives Some of the Highlights in the Year's Operations

President E. P. Greenwood of the Great Southern Life of Houston presided at the annual meeting this week, reviewing the general conditions in the country reflected in the insurance business. He said that last year was in many respects the best of the last five years and he sees many evidences of general improvement in real estate, mortgage loan conditions, collections and financial liquidity. Therefore, he predicted a very substantial upturn for life insurance.

The Great Southern Life, he reported, has assets \$43,125,923, legal reserve \$37,500,000, capital \$3,000,000 and surplus of \$1,000,000 in addition to a special surplus and reserve fund of \$716,906. Its surplus to policyholders is \$4,716,906.

New business was \$37,593,566, being a substantial increase over previous year 1934. The total amount of insurance in force at the close is \$227,000,000. In this connection, Mr. Greenwood stated that the first two months show a very material improvement in volume of new business over the same two months period of the last five years, February of 1936 being the largest month in point of new business since the banner year of 1929.

Attention was drawn to the fact that since the close of 1921, covering 14 years of business, the assets have increased from approximately \$10,000,000 to more than \$40,000,000; and capital and surplus from \$690,000 to more than \$4,500,000.

Receiverships Are Sought

Iowa Department Takes Action Against Union Mutual Life and Union Mutual Casualty

The licenses of the Union Mutual Life and Union Mutual Casualty of Des Moines have been revoked by the Iowa department and steps have been taken to have Commissioner Murphy appointed as a receiver. The Union Mutual Life has been charged with irregular practices and the Union Mutual Casualty with insolvency.

In the latter part of February, William Schulz resigned as president of the Union Mutual Life and Carl Schulz as secretary in an attempt to forestall the pressing of actions which had been instituted by policyholders. They continued as officers of the Union Mutual Casualty, however.

Operated by Mail

The Union Mutual Life has been licensed only in Iowa and prior to 1934 engaged in extensive solicitation by mail and advertising in other states. Objections were made to its activities by commissioners of the other states.

The Union Mutual Life had a row with the New York insurance department and in 1932 the court of general sessions of New York county delivered the decision that radio solicitation cannot be made by unlicensed companies when the broadcast is directed at New York residents.

In 1933 the post office department of Canada issued an order against the Union Mutual Life withdrawing mailing privileges in the dominion.

The life company was organized in 1926. As of Dec. 31, 1934, it reported

assets \$955,647, policy reserve \$751,040, net surplus \$86,268. It had total income of \$506,000 and total disbursements \$317,492. It had insurance in force \$20,322,110.

The Union Mutual Casualty was licensed for general casualty business, but confined its writings to accident and health. As of Dec. 31, 1934, it reported assets \$519,391, loss reserve \$99,770, premium reserve \$186,091, net surplus \$50,000. It was started in 1920.

There have been three Schulz brothers connected with the two companies. H. R. Schulz did not resign from the Union Mutual Life when his other brothers did. He was formerly treasurer and at that time became secretary. He is treasurer of the Union Mutual Casualty.

H. R. Schulz stated that the companies will resist "to the utmost" any attempt on the part of the Iowa department to place the companies in receivership. The directors deny that the casualty company is insolvent and charged that the department "threatened to place the companies in receivership if the board of directors was not reorganized to suit the department."

Illinois Bankers Statement

Company Shows Some Handsome Increases in Various Items of Its Financial Exhibit

The Illinois Bankers Life of Monmouth, Ill., writes life, accident and health. It has assets \$31,301,811, there being cash \$1,862,150, bonds \$4,557,771, mortgages \$6,003,864, policy loans \$12,050,571, capital \$200,000, net surplus \$551,572. It has insurance in force \$124,330,415. Its new business was \$10,000,000 and it paid policyholders \$3,000,000. The assets increased more than \$12,000,000. The insurance in force is \$124,330,415. This is an increase of \$50,000,000. The large increases are due to its taking over the Abraham Lincoln Life.

Its accident and health department reports an annual income of more than \$250,000. It is operating in 15 states and the District of Columbia. The home office personnel now numbers more than 200.

Analysis of the Statement

Vice-president Thompson Gives Some of the Salient Points in Mutual Benefit's Exhibit

Vice-president John S. Thompson of the Mutual Benefit Life, in analyzing its annual statement gives some of the main points which are of interest. Its new insurance last year was less than in 1934, although there is ample evidence, he says, that it is of distinctly higher quality. There was a sharp increase in annuity business in 1935, the premiums being about five times those received in 1934. The rate of voluntary terminations after increasing rapidly for several years and reaching a maximum in 1933, again declined until the rate is similar to that of 1931 and 1930. The terminations amounted to about \$61,000,000 less than 1934. Hence the net loss in insurance in force is about \$51,000,000 as compared with \$109,000,000 in 1934.

Other Features of Interest

The mortality ratio is 63.5, the highest since 1918 with the single exception of 1931, when it was 63.66. The policy loans decreased by about \$11,800,000, thus bringing that item to 20.3 percent of the assets, the lowest since 1928. The assets increased about \$16,000,000. The foreclosed real estate showed a net increase of about \$4,400,000, less than one-third of the corresponding increase in 1934. The ledger assets were written down by over \$9,000,000 which absorbed the special reserve of more than \$4,500,000 held Dec. 31, 1934, for that particular purpose. The regular contingency re-

serve funds were increased by about \$500,000.

The premium loading exceeded insurance expenses by \$3,457,388. The insurance expenses amounted to 75.04 of the loading during 1935 as compared with 74.52 percent in 1934. The gain from interest was \$1,808,125. In 1934 the corresponding saving was \$3,206,575. The savings from mortality were \$8,572,361. The mortality due to suicide last year was slightly more favorable than the year before.

United Life Elects Officers

R. G. Laubengayer Succeeds the Late C. L. Brown as Head of Salina, Kan., Company

R. J. Laubengayer has been elected president of the United Life, Salina, Kan., to succeed C. L. Brown, who died in November, 1935. Mr. Laubengayer is publisher of the Salina "Journal" and was recently offered a place on the Federal Reserve Board to represent agriculture.

C. L. Schwartz, president Lee Hardware Co., Salina, was reelected chairman of the board; Guy T. Helvering, vice-president; J. J. Donelan, reelected vice-president in charge of development; M. C. Beamer, reelected secretary-treasurer, and Jay W. Smith, assistant secretary-treasurer. L. O. Verckler and C. A. Scupin were also elected vice-presidents.

The United Life has increased its surplus on an average of over 15 percent per year the last four years. Its investments are in excellent condition. The company operates in Kansas, Missouri, Indiana and Ohio.

Mid-Continent Life Changes

Oklahoma City Company Announced Some Promotions in Its Official Slate at Annual Meeting

R. T. Stuart, president of the Mid-Continent Life of Oklahoma City, announces that Dr. R. L. Murdoch has been appointed medical director, he having served as assistant medical director for the last 15 years. He has made a reputation of real ability in his professional work.

R. E. Leonard has been reappointed agency manager. He has done excellent work and the production has increased under his administration.

Note of Optimism

At the directors and stockholders' meeting there was a note of optimism prevailing all through. The company has made an excellent record. The officers are all trained and experienced men. President Stuart purchased the Mid-Continent Life in 1915. He began his insurance career at the age of 19. In 1905 he broke all personal records as a producer by selling \$2,000,000 of life insurance in three months. He served as president of the Oklahoma state chamber of commerce and has been very active in different organizations. Vice-president O. E. Stuart has had a long experience, having been with the company as treasurer for 20 years. He is well informed not only on life insurance but agriculture, banking and general business.

President Stuart's Report

R. W. Reese, vice-president and secretary, became connected with the Mid-Continent Life at its inception. He has been noted for his careful underwriting and service to agents and policyholder.

V. L. Reynolds, treasurer and assistant to the president, has been connected with the Mid-Continent for 15 years. He has been a teacher, accountant, auditor and office manager.

President Stuart in his report said, "The company is in the safe hands of carefully chosen directors and officers of long training—men conservatively

OPPORTUNITY for Managers in Desirable Territory

FOR qualified men there is a liberal and profitable manager's contract. The men chosen will work under the direct supervision and assistance of the Home Office. They will be given every possible help to insure their success with this strong 30 year old company.

This company writes all complete and modern forms of life insurance at a low net cost. Policies include participating, non-participating, disability and double indemnity.

If you are interested in a manager's contract that offers a real opportunity write

S. M. Cross, President

**COLUMBIA LIFE
INSURANCE CO.**

Cincinnati, Ohio

progressive and sincerely anxious to render the maximum in life insurance service. It is geared to the financial needs of the average citizen and therefore to the sales needs of the man with the rate book."

Heretofore Mr. Reese has been secretary and now takes the title of vice-president. O. E. Stuart, treasurer, becomes the ranking vice-president. Mr. Reynolds was formerly assistant secretary. Dr. M. Smith, the medical director, recently died.

Alliance Life Changing Quarters

The Alliance Life is completing extensive revisions in its home office quarters in the Alliance Life building in Peoria. Removal of partitions and realignment of departments provide greater convenience, improved appearance and increased efficiency.

Concurrently, several major changes in office routine are being effected, under the direction of H. N. Bruce, executive vice-president. An interesting feature of the new arrangement is the "reinsurance center" in which are grouped all activities concerned with reinsurance service, in close proximity with other related departments such as underwriting, M. I. B., etc. The company has greatly expanded its reinsurance business during the past year, and has treaties with a considerable number of companies.

The annual statement of the Alliance shows progress in the administration of the affairs of the Peoria Life which was reinsured in October, 1934. A substantial reduction in Peoria Life policy liens is anticipated in the near future.

To Reorganize Georgia Company

Graham Wright, attorney of Rome, Ga., has been appointed deputy commissioner of the state and placed in charge of the State Mutual Life of Rome. He intends to reorganize the company and place it actively in the field again.

The old State Mutual Life of Rome was placed in the hands of the Georgia department in January, 1915. It was suspended in 1912, because of frozen assets. It had \$50,000,000 insurance in force in the southern states.

Wisconsin National Life Gains

The 1935 statement of the Wisconsin National Life shows assets \$7,496,750 and capital \$400,000. Surplus for contingencies was \$350,000, unassigned surplus \$485,227, total surplus \$1,235,227.

Investments include municipal bonds

at amortized values \$2,117,348; U. S. government bonds, \$1,270,102; first mortgage loans, 50 percent of sworn valuations, \$1,244,656, and cash \$317,806. Policy loans were \$1,061,348. Public utility and other bonds were 10.32 percent of total assets. Since 1930 the company has shown an increase in assigned and unassigned surplus of \$331,551 and there is now surplus of \$34.25 over and above the legal reserve and liabilities for each \$1,000. Paid for business in 1935 increased 22 percent.

Another S. C. Company

Another industrial life, accident and health company is being organized in South Carolina. In the last few months a half dozen or so new concerns have been formed in that state. This one is to be known as the Washington National of Greenville. L. C. Williams, L. W. Haselwood and Glenn McCart are the incorporators. It is to have capital stock of 2,500 shares of \$10 par value.

Bankers National Club

The Bankers National Life has announced the formation of a new production club. Its formation was recommended at the recent Havana convention of the Master Producers Club, and this new one will be known as the Presidents Club. The company showed an increase of 50 percent in paid-for business for January over the previous year. Two producers, M. R. Pesquera, Puerto Rico, and C. M. Castagne, Jersey City, have qualified for the Masters Club.

Joins National Reserve Life

W. E. Breon, Fruitland, Ida., has been named training supervisor for the National Reserve Life of Kansas City. He is one of six who will be put in the field by H. E. Baker, superintendent of agents.

Connolly Gets Promotion

C. R. Connolly, advertising manager of the Guarantee Mutual Life, has been elected assistant secretary. He will continue as advertising manager.

Life Notes

The Protective Life of Birmingham, Ala., has been admitted to Virginia. It will have headquarters in Petersburg with R. U. Woods in charge.

The Illinois department has made an examination on the Central Benefit of Chicago, a mutual benefit concern, which has 238 members. It shows assets \$3,154 and liabilities \$2,000.

SALES MEETINGS

New York Life Agents Club Meeting Dates Announced

Dates and places of meeting for several agents' club gatherings of the New York Life this year are announced. The Top Club, agents selling \$250,000 or more, will meet Sept. 1-5 at the Greenbrier, White Sulphur Springs. The eastern division of the \$200,000 club will meet at French Lick Springs, Ind., Sept. 28-30, and the western division at Old Faithful Inn, Yellowstone National Park, Sept. 7-9. The central department's \$100,000 club will meet at Mackinac Island, Mich., for two days in September, the dates to be set later. Various officers from the home office will attend all the meetings.

Clyde Law's Agency Rally

District agents of the Northwestern Mutual in West Virginia and eastern Ohio attended the annual meeting of the general agency at Wheeling, Clyde O. Law being head of the organization. Superintendent of Agents Grant L. Hill was present from the home office and spoke, as was Assistant Director of Agencies R. P. Thierbach. A. H. Bul-

lard, president of the agency association, took charge of the business program. D. D. Holtz of Huntington, W. Va., vice-president, acted as assistant.

Among the field men speaking were Edward Kersting of Clarksburg, R. S. Simpson of Charleston, Capt. Holtz, Huntington, and D. H. Tompkins, Charleston.

Manhattan Mutual Meeting

The Manhattan Mutual Life of Manhattan, Kan., has completed its two weeks school of instruction to salesmen at Arkansas City, Kan., under the direction of Superintendent F. D. Lamb. It included the psychology of selling and the practical points involved. A similar school will be held at Coffeyville, Kan., next month. President S. A. Bardwell and Secretary R. P. Martin attended the recent school and spoke at the banquet.

Plans Milwaukee Meeting

MILWAUKEE, WIS., March 12.—Vernon Casey, manager Milwaukee office North American Life, has arranged for a spring agency meeting here March 26-28. During the past week he addressed the Moore & Moore agency meeting at Green Bay, Wis.

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

● Agency contracts particularly designed to give maximum compensation for quality business and so drawn that renewal results in a steadily pyramiding income for the man or woman who is looking for a permanent connection.



LIFE REINSURANCE EXCLUSIVELY

LAWRENCE M. CATHLES
PRESIDENT

99 JOHN STREET

NEW YORK CITY



General Agency Openings
with

A GREAT COMPANY GROWING GREATER

A Company that has

*Made a Gain in Insurance in Force

during the past three years
of more than \$17,000,000.00.

*A Liberal Contract

(Both First Year and Renewal
Commissions)

*An Attractive Line of Policies

(designed to fit every need)

*A Unique Sales Program

Practical assistance and co-op-
eration in the field

Enjoy the advantages of

**COMMONWEALTH CORDIAL
CO-OPERATION
IT WORKS**

Write

J. Herbert Snyder,
Agency Vice-President.

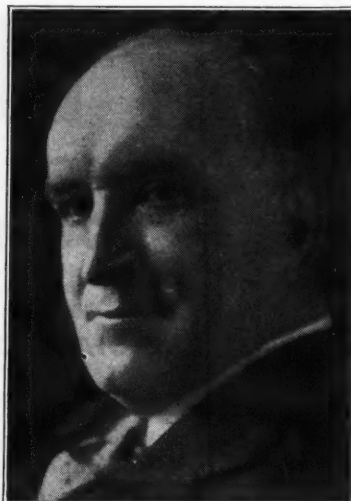
**COMMONWEALTH
LIFE INSURANCE CO.
LOUISVILLE, KY.**

LIFE AGENCY CHANGES

O'Donohue Takes Coast Post

Former Jefferson Standard Vice-president Rejoins That Company in Los Angeles

J. H. Sewell, California agency director of the Jefferson Standard Life, has announced the appointment of W. T. O'Donohue as assistant agency director with headquarters at the Los Angeles



W. T. O'DONOHUE

office, which is the clearing house for all California business of the company. The Jefferson Standard is entering the brokerage field and this department will be under the supervision of Mr. O'Donohue. The company offers both participating and non-participating insurance, together with a good annuity setup. It also writes sub-standard and super-standard business and covers a wide range of occupational classifications.

Mr. O'Donohue has had a long experience in life insurance, having entered the field when a young man and joined the Jefferson Standard in 1911. For many years he was vice-president and agency manager of that company. Following a breakdown in health several years ago, he retired from business and led a quiet country life. In the meantime he has recovered his health, and as he wished to live in southern California has rejoined the company there. Since his retirement he has resided at Waterford, Conn.

Important Appointments by Guarantee Mutual of Omaha

Guy H. Furness, former home office assistant superintendent of agents of the Guarantee Mutual Life of Omaha, has been appointed general agent for three southern California counties with headquarters at Santa Barbara.

Ralph K. Pfremmer of Wichita is named general agent for nine northern Kansas counties with headquarters at Manhattan. For the past three years Mr. Pfremmer has been a district agent for the Aetna Life at Wichita.

E. H. Childs of Ottawa becomes general agent for three counties in northern Illinois. He has been in insurance work ten years and recently served as general agent of the Bankers Mutual Life of Freeport, Ill.

W. E. Starrett of Peoria, with a background of 25 years in the insurance business, becomes general agent for nine north central Illinois counties. He has been supervisor for the Franklin Life.

William Ingalls of Bedford, Ind., for the past four years district manager for

the Mutual Life of New York, becomes general agent for southern Indiana.

Nelson Sioux City Manager

Howard A. Nelson has been appointed manager for the Mutual Life of New York at Sioux City, Iowa, to succeed Manager Loyd B. Gettys who has been transferred to the managership at Davenport. Mr. Nelson is a native of South Dakota, joining the Mutual Life in 1920. He achieved outstanding success as an agent having been a member of the field club, and in 1923 was made district manager at Sioux Falls, S. D., now a part of the Sioux City agency. For the past six years, he has been agency organizer at Sioux City.

R. D. Sullivan a Vice-president

Ralph D. Sullivan, general agent of the United Benefit Life of Omaha in Cleveland, has been elected a resident vice-president. He has been in Cleveland about 10 years.

Returns to Little Rock

H. D. Edwards, who was appointed Detroit manager for the Bankers Life of Iowa eight months ago, has resigned and returned to Little Rock Ark., his former location. He had been associated with G. H. Campbell general agency Aetna Life in that city for nine years. P. B. Wallace, who went to Detroit as agency supervisor in June, 1935,

after having been supervisor of the Louisville, Ky., branch for three years, is now in charge of the Detroit branch.

M. F. Branch Advanced

The Occidental Life of Los Angeles has promoted M. F. Branch from assistant manager of the home office agency to branch manager, filling the vacancy created by the recent promotion of I. C. Cunningham, formerly southern California division manager and branch manager of the home office agency, to superintendent of agencies.

New Washington Manager

Miffin Blackstone, 930-34 Investment building, has been appointed manager at Washington, D. C., by the General American Life. Mr. Blackstone has had 14 years' experience in life insurance selling and supervisory work.

Joins Van Wert, O., Agency

S. A. Miller has resigned as physical director of the Y. M. C. A. at Van Wert, O., to become manager of the life department of the Purmort Brothers agency in that city, succeeding R. W. Conley. The agency represents the General Mutual Life.

Hopkins With Mid-Continent

A. H. Hopkins, for more than three years San Antonio agency manager for the Republic Life of Dallas, has been appointed general agent of the Mid-Continent Life of Oklahoma, with offices at 915 Travis building, San Antonio.



A NEW NATIONAL ADVERTISING CAMPAIGN

Mutual Benefit men like the way the Company's advertising for 1936 is opening doors for them. "You'll find our representatives capable advisers," the advertisements say. "They can discuss any type of sound insurance. They can tell you of the Mutual Benefit's strength, how it has paid a dividend for every one of its ninety-one years and that no other company has a more liberal record. Keep a door open for the Mutual Benefit man when he calls."

The
MUTUAL BENEFIT
LIFE INSURANCE COMPANY

HOME OFFICE • NEWARK • NEW JERSEY

NEWS OF LIFE ASSOCIATIONS

Plans for Midyear Meeting

National Association of Life Underwriters Program for the Forthcoming Kansas City Conference

Plans have been completed for the three-day meeting of the national council, board of trustees, executive committee of the general agents and managers' section, state associations, president's committee, and others of the National Association of Life Underwriters to be held in the new Municipal Auditorium at Kansas City, April 16-18.

The annual meeting of the Missouri Association of Life Underwriters and the joint sales congress of the state body and the Kansas City association will be held the same week.

V. W. Weidemann, manager Sun Life of Canada, is chairman of the sales congress. There will appear on its program Roger B. Hull, managing director National Association of Life Underwriters; President L. O. Schriver, National president; H. J. Johnson, general agent Penn Mutual Life at Pittsburgh; Horace Mecklem, million dollar producer and general agent of the New England Mutual at Portland, Ore. G. E. Hackman, Guardian Life at Jefferson City, Mo., is president of the Missouri association; J. F. Trotter, Mutual Life of New York, manager at Kansas City, is president of the Kansas City body.

Program for the Conference

The annual meeting of the state association will be held Thursday noon. Friday will be devoted to the sales congress. During the sales congress the general agents and managers' section of the national body will meet. The board of trustees and the committee of state association presidents will also meet the same day.

The national council of the National Life Underwriters Association, which includes the officers, trustees and national committeemen of all associations will hold its meeting the last day.

* * *

Conference Held in Michigan

New Committee Reaches Agreement with Department Official on Standard Qualification Practices

Efforts to assist the Michigan department in setting up higher standards of qualifications for life agents through providing reliable data on applicants took tangible form at a conference between Robert Morse, head of licensing division of the department, and members of the recently appointed Michigan State Life Underwriters Association committee on agents' qualifications, licensing and field practices. The committee is headed by N. E. Glassbrook, Lansing, and includes R. R. Stotz, Grand Rapids; Clare Winston, Saginaw; John Goldsmith, Kalamazoo, and H. R. Thompson, Detroit, executive secretary of the state association.

Agreement is Reached

At the conference agreement was reached on a number of standard practices and regulations which will be adhered to in the future. All such matters will be adjusted through the medium of formal complaints which will be taken up through association channels first and will eventually reach the department if satisfactory settlement cannot be reached otherwise. Further conferences are planned and it is anticipated that much will be accomplished toward eliminating unfit agents and regulating field practices.

* * *

Colorado—C. J. Frisbie, general agent New England Mutual, Seattle, will be the featured speaker at the monthly meeting in Denver, March 18.

Plan for Little Rock Rally

Sales Congress Program Will Be Featured by Some Men of National Reputation

Plans have been completed for the sales congress to be held at Little Rock March 20, by F. A. Vineyard, who is general chairman of the committee in charge for the Little Rock Life Underwriters Association. The state body will cooperate with Little Rock in sponsoring the congress.

The four national speakers will be President L. O. Schriver of the National Association of Life Underwriters, who will speak over the telephone hookup from Columbia, S. C., where he will be at that time; O. Sam Cummings of Dallas, secretary of the National association, and state manager of the Kansas City Life, who will talk on "Prospecting"; E. A. Gillespie, associate general agent Massachusetts Mutual at Shreveport, on "Programming." He has been a large general producer for many years and president of the Shreveport chamber of commerce.

Evans the Luncheon Speaker

Charles T. Evans of Little Rock will be the luncheon speaker. Philip O. Works, general agent Penn Mutual at St. Louis, who was formerly agency director for the R. G. Engelsman agency of the Penn Mutual in New York City, will talk on his favorite topic of "Closing." The average production of his full time agents has been raised to over \$200,000.

Paul Speicher of the R. & R. service of Indianapolis has taken as his subject, "The Recovery Role of Life Insurance." Mr. Vineyard will preside over the morning session, J. J. Harrison at the luncheon and Paul Atkinson, president of the Little Rock association, at the afternoon session.

Interest in Schriver Address

Election of officers of the state association will be held. There will be announcement also concerning the C. L. U. movement by Fred Poe of Little Rock. Mr. Schriver's address will be the first occasion where the chief speaker of the national body has addressed the sales congress over the long distance telephone. C. H. Wickard of Little Rock is president of the state association.

Mr. Vineyard is general chairman of the congress and is agency supervisor for the Gordon H. Campbell agency of the Aetna Life at Little Rock. He has served as secretary of the Little Rock association and was chairman of Life Insurance Week last year. He is Mr. Campbell's son-in-law.

* * *

Chicago Association Gathers

Homer Buckley Tells Life Agents Knowing Prospect Is Key to Successful Selling Formula

Knowing the prospect was given as the key to the formula of successful selling by Homer Buckley, president Buckley, Dement & Co., Chicago, at a meeting of the Chicago Association of Life Underwriters. Mr. Buckley gave four factors that go to make up the formula: Know yourself, know your service, know your prospect and know when to quit selling and give the customer a chance to buy.

Selling is a very human process, he declared, and no two presentations should be alike because no two buyers are alike, although the principles are always the same. He advised agents, no matter how successful they are, to take inventory of themselves occasionally to analyze their strength and weaknesses.

Homes with Children Need Insurance

What stronger appeal could you have in your sales kit than a Life Insurance plan especially designed for Junior?

Security Mutual Life Juvenile Insurance on the 20 Year Endowment or the 20 Pay Endowment at Age 64 plan is interesting to all parents. The Payor Benefit clause provides for waiver of premiums in case the one who pays the premium dies before the insured reaches the age of 21.

Security Mutual Juveniles provide for dividends and cash values. They furnish an ideal foundation for any child's life insurance program.

Full particulars and rates from any General Agent or from the Home Office.

Security Mutual Life Insurance Company

BINGHAMTON, N.Y.

DECEMBER 31, 1935

*Insurance in force
largest in history
of company*

**THE OHIO STATE LIFE
INSURANCE COMPANY**
COLUMBUS, OHIO



When the Wright Brothers Built the First Plane

Back in 1903 when the Wright Brothers amazed the world with their first aeroplane flight, Yeomen Mutual Life was a sturdy, growing youngster of six years.

Since those early days, the growth and progress of Yeomen Mutual Life has been as rapid as that of aviation. Today it is one of the strongest legal reserve companies in America, with nearly \$25,000,000 of assets, 60% of those assets in government and municipal bonds. Now, Yeomen Mutual enters its 40th year—modern as aviation, using 20th century methods in helping its agents to success.

"Service Through the Years"

Yeomen Mutual Life
A. H. HOEFMAN, PRESIDENT
Home Office, Des Moines, Iowa
AN OLD-LINE LEGAL RESERVE COMPANY



This Company's Sixty-Fifth Anniversary report discloses increase of insurance in force amounting to \$20,000,000—5% better than the previous year's substantial gain. Terminations by lapse decreased more than 14% as compared with 1934. These results indicate steadier employment, improved business conditions in the Company's territory and emphasize the quality of business written.

He pointed out the agent is selling impressions and not insurance, and his sales will depend on whether the impression is favorable or unfavorable. He especially urged agents to concentrate on the approach as the most important factor in successful selling, saying that many agents otherwise qualified lose sales because of a poor approach. He also cautioned agents against over-zealousness and talking too much and advised them to perfect the art of closing.

Qualified Life Underwriters of Detroit Hold Sales Meet

The presentation of the story of life insurance by two playlets written and staged by Olivia Orth, life insurance dramatist, will be a new feature of the sales congress of Qualified Life Underwriters of Detroit on March 13. President Donald Machum, Manufacturers Life, will open the congress at 9:30 a. m., and F. J. Little, Massachusetts Mutual, general chairman, will preside. H. J. Campbell, vice-president and secretary, Detroit Board of Commerce, will welcome the congress. A. R. Jaqua, associate editor "Diamond Life Bulletins," will speak on "Individual Security."

Wright to Speak

H. T. Wright, associate agency manager Equitable of New York in Chicago and chairman, Million Dollar Round Table, will follow on "What It Takes to Make a Million Dollar Producer," after which the playlet "The Magician" will be presented by cast including H. B. Knaggs, New England Mutual; E. W. Albachten, general agent Pacific Mutual; W. L. Favinger, Aetna Life; Mrs. H. V. Jalass, wife of Metropolitan Life manager; J. G. Adams, Connecticut Mutual; Staff Hudson, brokerage manager, Aetna Life; R. R. Fuller, Northwestern Mutual, and "Sandy" Machum, son of Donald Machum, manager Manufacturers.

Seth W. Ryan, general agent Penn Mutual and vice-chairman general committee, will preside at the afternoon session. Greetings will be extended by Commissioner Ketcham and C. E. Hodgman, Mutual Benefit, will speak on prospecting, after which the playlet "Duty" will be presented with a Massachusetts Mutual cast. C. C. Day, general agent Pacific Mutual in Oklahoma City, recently voted Oklahoma's most useful citizen, will close the congress with a talk on "My Philosophy of Living."

The 1936 directory is off the press, containing the declaration of principles of the association, list of officers and directors and a directory of members.

More Than 800 on Hand for Los Angeles Sales Congress

LOS ANGELES, March 12.—The all-day sales congress of the Life Underwriters Association of Los Angeles was one of the most interesting and successful in its history, with an attendance of over 800 from southern California. E. H. Perry, big producer at Whittier, Cal., for the Provident Mutual, discussed "Building a Clientele in a Small Community." L. O. Schriver, president National Association of Life Underwriters, talked on "Principles and Practices of Life Underwriting"; Dr. Paul Ivey, on "Planning the Sale," and V. T. Motschenbacher, San Francisco branch manager Sun Life of Canada, on "Life Insurance Salesmanship."

At the afternoon session Commissioner Carpenter of California discussed "The Insurance Division and the Insurance Agent," reviewing the work of his department the past year; Mr. Schriver talked on "A Century of Progress," stressing the mechanical progress of the past 100 years and also the progress in life underwriting, and Grant Taggart of Wyoming, top-notch producer of the California-Western States Life, on "Life

Joseph M. Gantz Has Powerful Organization

Joseph M. Gantz, Cincinnati manager of the Pacific Mutual, has built a powerful organization. His office succeeded in securing first and second places in production leadership for 1935, the presidency and vice-presidency of the Big Tree Club for 1936, and he has two \$1,000,000 producers out of an agency of 25 men. Mr. Gantz has been proud of his agency personnel and the effectiveness of the methods used to develop personal capacity. Out of the 25 agents, 20 paid for over \$100,000, 14 for over \$200,000, four for over \$300,000 and two for over \$1,000,000 last year.

Underwriting as a Profession." A dialogue, "Ho-Hum-So-What," was presented by L. G. Tallman and Walter Tipton, both representing the California-Western States Life at Fresno.

Chicago.—W. H. Beers, general agent New England Mutual in New York City, is to address the general agents and managers division April 24. Frederick Bruchholz, chairman and agency director New York Life, will preside.

Shreveport, La.—The association is holding its first annual sales congress March 19. The following are speakers: Paul Speicher, Editor R. & R., "The Logic of Life Insurance"; Carey Selph, Great Southern Life, "Baseball vs. Life Insurance"; Charles Mesman, assistant superintendent of agencies, Pan-American Life, "Carrying Coals to Newcastle"; H. G. Knowles, Houston, Texas, "Nothing" for Texas agencies.

St. Louis.—C. J. Zimmerman, former president of the Life Underwriters Association of Northern New Jersey and general agent in Newark, N. J., for the Connecticut Mutual Life, will be one of the principal speakers at the meeting of the St. Louis association April 16. His topic will be "Closing Tactics."

Davenport, Ia.—Paul Cook of the Mutual Benefit Life, Chicago agency, instructor of agencies, spoke Wednesday evening on "Motivation." He is a member of the million dollar round table.

Waukegan, Ill.—F. G. Gray, Chicago supervisor for the New England Mutual, was the speaker at the monthly meeting of the Lake County association. His subject was "Modern Economic Problem and Its Proven Solution."

Saginaw, Mich.—G. F. B. Smith, assistant superintendent of agencies Connecticut Mutual Life, spoke on "Getting Action." Mr. Smith is an expert on sales training and has helped develop many modern sales methods.

Columbus, O.—Rev. J. A. Thomas of the Methodist church, Robert T. Crew of the BancOhio, and Judge C. P. McClalland of the probate court will be the speakers March 19. J. A. Lloyd, secretary Ohio Association of Insurance Agents, will speak, along with E. L. Kurtz, field instructor Equitable of New York, and R. P. Thierbach, assistant director of agencies Northwestern Mutual Life.

Fort Wayne, Ind.—Delegations from Ohio, Indiana and Michigan will attend the tri-state all star sales congress to be given here March 14. Commissioner Harry E. McClain, George Lackey, general agent Massachusetts Mutual Life, Detroit; Lynn S. Broadus, manager Acacia Mutual Life at Chicago; E. R. Blackwood, manager Metropolitan Life at Indianapolis, and H. P. Trospier, Detroit special agent New York Life, will speak.

Waco, Tex.—Homer G. Hewitt, Texas manager Northwestern National Life, spoke.

Boston.—The women's division of the Boston association will be inaugurated with a luncheon at which Miss Martha H. Boott of the Paul Clark agency John Hancock Mutual Life, permanent chairman of the division; Miss Bernice Cunningham, Equitable Life of New York, and Miss Violet Ehlbeck, State Mutual Life, will speak.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Extend on Children to Age 0

New York Life Issuing 30 Year Endowment Up to Limit of \$10,000

The New York Life, which for some time has issued a child's 30 year endowment down to age 5, has lowered the acceptance limit to birth. This contract pays the face amount at the end of the endowment period if the child is then living, but upon death of child after age 10 pays the face amount at written request of the child on or after age 10. In event of death before age 10, or if written request of child for full insurance is not received after age 10, amount payable at death will be the annual premiums paid with 3 percent compound interest.

The company requires satisfactory evidence of the child's insurability at time of application, but no further evidence when the child on or after reaching age 10 elects the option of insurance at face amount. Applications will be considered up to \$2,000 on satisfactory health certificates; for \$2,000/\$5,000 from ages 0 to 4, inclusive, a special short form medical examination, and no policies issued for above \$5,000 at these ages. For ages 5-9, full medical is required for all amounts above \$2,000, with limit \$10,000. Minimum is \$500.

This policy is participating at end of second year, non-forfeiture values being provided after three full years' premiums

have been paid. Disability or double indemnity benefits will not be issued.

Rates are: Age 0, \$27.79; age 1, \$27.90; age 2, \$28.08; age 3, \$28.30 and age 4, \$28.53. Dividends are: Age 0, \$3.31, \$3.54, \$3.79, \$4.04, total five years \$14.68; age 1, \$3.28, \$3.52, \$3.77, \$4.02, total \$14.59; age 2, \$3.25, \$3.49, \$3.74, \$4, total \$14.48; age 3, \$3.19, \$3.44, \$3.69, \$3.95, total \$14.27; age 4, \$3.13, \$3.38, \$3.63, \$3.19, total \$14.04.

Total estimated dividends for 20 years are: Age 0, \$133.81; age 1, \$134.91; age 2, \$137.49; age 3, \$138.77; age 4, \$139.84.

Union Mutual Life Policy

The Union Mutual Life of Portland, Me., has introduced its fourth juvenile contract—the educational endowment at age 18; the complete line includes—20 year endowment, 20 payment endowment at age 65, 20 payment endowment at age 85, and the new plan.

The educational endowment policy is issued on lives between ages one day and 12 years. Regardless of the age at which it is taken, it is designed to mature as an endowment at age 18—the purpose being to provide funds for a college education. The maximum amount on single contracts is \$4,000—the minimum \$1,000. The usual optional settlements can be obtained, with waiver of premium an optional feature.

Issues New Rate Books

New rate books have been issued for the Union Mutual Life of Portland, Me. The books are distinctively bound, with a pliable leather cover and lettering in black and gold.

The Columbus Mutual

OFFERS

First—LOW COST INSURANCE TO SELL.

Second—LIBERAL COMMISSIONS FOR SELLING IT.
(An Unusual Combination)

Third—IDEAL WORKING CONDITIONS.

Vested Renewals—

Unrestricted Territory—

Automatic Promotion—

Equality of Opportunity—

The Right to Build Your Own Agency—

No one to interfere, dictate or coerce—

Every influence helpful, inspirational—

Reward determined not by chance, by guess, or by favoritism, but by results—

The larger the production, the higher the rate of compensation—

You do not have to fight for a better contract—

You rise to your rightful level without let or hindrance.

**THE COLUMBUS MUTUAL LIFE
INSURANCE COMPANY**

COLUMBUS, OHIO

AS SEEN FROM CHICAGO

TO HOLD NEW YORK LIFE RALLIES

Two New York Life meetings will be held in Chicago during May, one the spring Nylic meeting of the central department under Inspector of Agencies R. E. Whitney, May 6, at the Palmer House, and the other a meeting, May 28-29 of the mid-west department under Inspector of Agencies O. R. Carter at the Edgewater Beach. Vice-president L. Seton Lindsay will be a speaker at the central department meeting, and Vice-president Walker Buckner will speak at the mid-west department conference. Edward L. Ryerson, New York Life director, and vice-president of Inland Steel, also will address the central department. Both meetings will be educational in nature. A third meeting will be held at Sioux City, Ia., June 1-2, for agents, organizers and agency directors in that territory. Agents in the mid-west department are observing Inspector Carter's 25th anniversary, which will occur April 20.

BRENNAN AGENCY IN CONTEST

In conjunction with the annual sales contest of the Fidelity Mutual Life this month, the J. H. Brennan agency at Chicago is carrying out the March "lion" theme in realistic fashion. The office presents a veritable jungle atmosphere, with palm trees, stuffed animals of all kinds and appropriate illustrations on the wall presenting the idea of "lion hunting" for apps. Replicas of a famous lion, done by a well known artist, will be presented the first 50 agents with the most applications and the first 50 with most paid for business. Steady production will be the aim of the campaign.

Mr. Brennan, who took over the agency in July, 1935, was for 11 years a large personal producer in Chicago. Starting with two men, he has built up

the agency with young men. He is a past president of the Notre Dame Club of Chicago.

SUPERVISORS TRY INNOVATION

Human interest stories hinging on life insurance were related at the monthly meeting of the Life Agency Supervisors of Chicago, Roy Elmer, New York Life, being in charge of this innovation and President Talmage Smith presiding. B. J. Groves, Travelers, program chairman, arranged the discussion. R. W. Barber, Besser agency Lincoln National, and C. A. Jensen, Chase agency Connecticut Mutual, are new members.

MORRELL BEFORE C. L. U.

John Morrell of the Lustgarten agency, Chicago, leading producer of the Equitable of New York last year, will talk April 6 at a meeting of the Chicago chapter of C. L. U. in the Sherman Hotel. It will be open to any agents who are interested. Mr. Morrell is a director of C. L. U.

HEIFETZ AGENCY STARTS LECTURES

An evening lecture course on sales psychology and a career in life insurance was started March 12 by the Samuel Heifetz agency of the Mutual Life of New York in Chicago. This is free to brokers. Mr. Heifetz stated the entire course is very practical and instructive. The classes will meet Tuesday and Thursday nights at 6:30 until the final lecture April 7. Functions of life insurance will be taken up, including its various uses in filling needs for personal and business purposes; free administration feature of life insurance; possibility of building a career in the business, and importance of company in life insurance selling. Mr. Heifetz has conducted a lecture series for brokers every year since he became manager.

Looking Forward

During the year 1935 the Company consolidated much of its territory—standardized its agency contracts—issued new policy forms and various sales aids—secured 28% more paid for business and at less cost.

Much always remains to be done. We want with us the type of men who enjoy creative work and the opportunity and satisfaction that goes with it—a fine old company with brand new opportunities for good men.

The Manhattan Life
INSURANCE COMPANY

Founded 1850

654 Madison Avenue at 60th Street

New York, N. Y.

Surplus Tax Only on New Earnings

(CONTINUED FROM PAGE 1)

to 14 3/4 percent income tax on its earnings. This reduces the money available for dividends. In view of this tax, stockholders are permitted to deduct dividends in computing their normal income tax, but not in computing their surtax. The normal tax is 4 percent. The proposal would wipe out the corporation income tax and also abolish the 4 percent exemption on dividends in individual tax returns. Thus the stockholder loses a 4 percent exemption and gains a 12 3/4 to 14 3/4 percent exemption.

The new measure undoubtedly will lead to larger distributions by most corporations. Thus the great mass of small stockholders will make a very considerable net gain. It is only those whose normal taxes and surtaxes together reach the 14 3/4 percent level that will lose by the new law. Naturally stockholders already in such brackets will be forced into still higher brackets by the additional distributions of dividends by corporations. Furthermore, it seems likely that higher surtaxes will be imposed on small incomes.

Surplus Tax Not a Novelty

Contrary to general belief, the proposed tax on undistributed earnings is not a novelty, although it is of course a striking novelty to substitute it for the present tax on all corporation earnings. There has been in the income tax law a similar provision nearly all the years back to the World War and such a provision is now a part of the income tax act. The difference is that imposition of the old surplus earnings tax is, in effect, discretionary with the Treasury Department and it has been imposed in very few cases, while under the President's proposal the imposition of the surplus earnings tax will be compulsory and universal.

Section 102 of subtitle C of the law of 1934 now imposes a special surtax on corporations "improperly accumulating surpluses." The rate is 25 percent up to \$100,000 and 35 percent over \$100,000, in addition to all other taxes. The joker is that the Treasury Department under the present law must show that the undistributed earnings were retained "for the purpose of preventing the imposition of the surtax upon its shareholders." Paragraph (b) makes the retention of the surplus prima facie evidence of such intent if "the gains or profits are permitted to accumulate beyond the reasonable needs of the business." Thus both the question of intent and the question of "reasonable needs" are left open and probably subject to a jury trial unless the Treasury Department has a clear cut case. The new law, it would seem, will drastically accomplish the old purpose of forcing the distribution of earnings.

The constitution would probably prevent Congress from imposing any tax on surpluses already accumulated. Paragraph 4 of Section 9, Article I, provides that "no capitation or other direct tax shall be laid unless in proportion to the census or enumeration herein before directed to be taken." This paragraph prevented the levying of an income tax until the income tax amendment was adopted in 1913. If a tax on existing surpluses was levied on the states according to population the poorer states would be overwhelmed with the burden and probably no such law could get through Congress. When the government attempted to collect income taxes on stock dividends it lost in the Supreme Court, not because the law was not broad enough, but because the court said stock dividends were not income, and hence not subject to tax by Congress unless the tax was levied in accordance with the paragraph quoted.

LAW RESTRICTS DIVIDENDS

NEW YORK, Mar. 12.—If the President's surplus income tax is applied to insurance companies it will run against the law in New York and perhaps other

WITH INDUSTRIAL OFFICES

Industrial Hearing Is Held

Massachusetts Legislature Has Before It
Some 14 Bills Relating to Weekly
Payment Policies

BOSTON, March 12.—Industrial life companies officials appeared before the Massachusetts legislative committee on insurance with some 14 bills affecting those companies up for consideration. It meant a gathering of the general counsel and actuaries of the Metropolitan, Prudential, John Hancock, State Mutual, New England Mutual, Massachusetts Mutual and many other companies who might be affected directly or indirectly. Representative Owen Gallagher of South Boston, for ten years an industrial agent, was the author of most of the bills and many were based on isolated cases.

The bills provided that no agent should be charged with a decrease or reduction from his commission or salary on industrial policies lapsed after being paid on for five years; that foreign companies be required to provide for paid up and extended insurance and cash surrender values on industrial policies; that loans be authorized on policies issued by foreign companies; that notices of cancellation or lapses be sent by registered mail; that forfeiture values be provided in policies issued by foreign companies after three full annual premiums; that salaries of agents be not decreased on account of lapsing policies; that endowment policies return the extra premium, over and above ordinary life, when the insured died before the expiration of the endowment policy.

The company officials, in all instances, appeared to show that the practices of the companies were largely different than those set forth by the proponents and in other cases that the proponents possessed little knowledge of the actuarial principles which govern life insurance.

Field Meet at Wausau

WAUSAU, WIS., March 12.—N. P. Beck, manager Metropolitan Life office here, conducted a one day field staff meeting at which plans for the year were discussed. Agents and their wives were guests at a luncheon preceding the meeting.

Parr to St. Paul

L. W. Parr, assistant superintendent for the Prudential at Madison, Wis., has been promoted to superintendent in the St. Paul office and has left to assume his new duties. Mr. Parr started with the Prudential in Madison in 1922.

states limiting the dividends of such companies. It has long been the policy of the New York and other departments to encourage the building up of strong surpluses, in addition to necessary reserves.

G. S. Van Schaick Elected N. Y. Life Vice-president

(CONTINUED FROM PAGE 1)

his law course at Yale, graduating magna cum laude in 1907. He practiced law in Rochester and was a lecturer at the University of Rochester. He was regarded as one of the most able men of the New York bar. He became New York superintendent in February, 1931. At the time of his resignation in 1935 he was first vice-president of the National Association of Insurance Commissioners. Mr. Van Schaick was regarded as one of the most efficient and broad-minded insurance commissioners in the country. He gave to the New York department an administration that was out-

Revised Line of Contracts

Western & Southern Life Announces
Some Changes in Policy Provisions
of Industrial Policies

The Western & Southern Life has brought out a complete line of revised industrial policies. Policy provisions are clearly written and unnecessary verbiage is eliminated. The facility of payment clause reads: "The company may make any payment or allow any benefit provided for in this policy to any relative by blood or connection by marriage of the insured, or to any person appearing to the company to be equitably entitled thereto." The sound health clause reads: "No obligation is assumed by the

company unless on the date and delivery of this policy the insured is alive and in sound health."

The policies are essentially the same as ordinary policies. There is provision for disability and double indemnity. Automatic extended insurance is provided after three years and cash surrender after five years. Under the disability provision, if before attaining age 70 and at least 90 days before death, the face of the policy is paid the insured in the event of severance of both hands or both feet or one hand and one foot or loss of sight of both eyes; if one hand or one foot are severed, one-half the face value is paid; the policy then continuing in force fully paid up. If severance or loss of sight results from any violation of the law, is voluntarily self-inflicted whether sane or insane, or sustained when in military or naval service in time of war, the disability provision does not apply. The policies have one year incontestable clauses. These are the principal changes.

GENERAL AGENCY NEWS

Whatley Speaks at Detroit

Presents Aetna Life's President's Trophy
to Schoch Agency for All-Around
Excellence in 1935

DETROIT, March 12.—There has been more sunshine and optimism in insurance circles in Hartford during the past 60 days than during the past three years. S. T. Whatley, vice-president Aetna Life in charge of agencies, told 65 members of the Henry K. Schoch general agency of the company here. One of the reasons in the Aetna Life home office was the 60-day sales campaign honoring Mr. Whatley during which 76 Aetna agencies produced \$44,852,000 of new life insurance against a quota of \$30,000,000, he said.

Investment Is Problem

The principal problem confronting the companies at the present time is what to do with their funds, Mr. Whatley disclosed. The belief is general in insurance financial circles that the interest yield of good securities has scraped bottom and the trend from now on will be upward, he asserted. Writings in January, 1936, were 22 percent under January, 1935, which had been 91 percent greater than in January, 1934, in the company. At the end of February writings were but 11 percent behind the same period of the previous year, however, and were 50 percent ahead of the first two months of 1934.

Mr. Whatley presented the president's national trophy for all-around agency excellence for 1935 to the Schoch agency, which reported an increase of 39.4 percent for the year, greatest gain of insurance in force, and also the most group life business.

Opens New Indianapolis Office

J. W. Schwab, general agent Indianapolis Life and one of the largest single producers in Indiana, has opened offices at 809-11 Circle Tower, Indianapolis. Formerly the city general agency was operated out of the home office in Indianapolis. He is a member of the Million Dollar Round Table, having written more than \$1,000,000 of business for three consecutive years.

Milwaukee Agency Honored

The Albert E. Mielenz general agency Aetna Life at Milwaukee held a celebration on receiving its third annual award from President Morgan B. Brainard of the home office, for showing the greatest

standing. He appeared before many insurance bodies and what he had to say was always worth saying.

increase in business in the western region during 1935, the increase being 19.1 percent. The agency received its first trophy in 1931, and in 1929 won the national trophy. Mr. Mielenz, who is 74, is dean of all the company's general agents. March 1 marked the 45th anniversary of his association with the Aetna. Mr. and Mrs. Mielenz are now in St. Petersburg, Fla., for a winter vacation.

Yates Agency's Sales Congress

At the monthly sales congress of the southern California agency of the Massachusetts Mutual in Los Angeles, John W. Yates, California general agent, presided. Barry Stephens gave "Echoes from weekly producers' breakfasts." Phinehas Prouty, Jr., talked on "Building Prestige." Henry Mosler on "Presenting Insurance with Income," and David M. Roth on "Reducing the High Cost of Forgetting."

Addresses Harrisburg Agency

The Central Pennsylvania agency Provident Mutual Life at Harrisburg showed a gain of 34 percent in the new business for 1935, declared E. W. Marshall, vice-president and actuary, who addressed the annual meeting by means of a telephone broadcast from his home in Haddonfield, N. J. He said the 1935 gain was even more remarkable in view of a 16 percent increase during 1934. Speakers present at the meeting included Manager of Agencies F. C. Morss, Agency Assistant E. M. Bechtel and General Agent B. M. Ogelsby.

Morton Agency Wins Honors

Paid production for the Stratford Lee Morton general agency Connecticut Mutual Life at St. Louis for 1935 was the largest in the 88 years history of the agency, ranking first out of 67 agencies for the company with full time men and second from the standpoint of total volume. The agency, established in 1848, is the oldest life agency west of the Mississippi. In 1935 the agency's record was surpassed only by one of four New York agencies with 1,200 brokers. In January the Morton agency ranked second in the United States in paid for life insurance and I. M. Barker was second in the company's entire agency force in paid for lives. The entire agency gained 67 percent over 1934, while Mr. Morton's personal production of \$1,215,000 ranked first among the company's first 1,000 agents. He was the first man in the company to produce \$1,000,000 of business in one year, accounting for \$1,743,000 in 1923. Mr. Morton also received the award for the best record of persistency among agencies with over \$25,000,000 insurance in force.

LEGAL RESERVE FRATERNALS

Pass Illinois Fraternal Law

Model Measure Awaits Governor's Signature; Effective Date Would Be July 1

The Illinois legislature has finally passed S. B. 67, the fraternal law, and sent it to the governor for signature. It would become effective July 1, changing the old fraternal act of 1893.

A bulletin sent out by the Illinois Fraternal Congress states the bill permits fraternal societies to do a general life insurance business, including endowments and annuities. Beneficiaries may be any class of persons as determined by the society's by-laws. All restrictions on juvenile insurance are removed. All certificates issued after Dec. 31, 1937, must be based on the American Experience or American Men ultimate mortality table and copies of application must be attached. All certificates also must contain certain standard provisions and not contain certain prohibitions.

Opposed One Provision

The fraternal societies due to expense vigorously opposed the requirement of a copy of the application when it was written into the insurance code that failed of passage on two occasions previously. Due to the many changes, most societies would be forced to prepare and print new certificates before July 1.

There is specific exemption of fraternal societies from taxes in the new law, this provision having been carried over from the old law and being the result of efforts of the Illinois congress. President D. T. Winder of the congress, O. E. Aleshire, national treasurer of the Modern Woodmen, and other fraternal leaders of the state, took an active part in securing the new legislation, which in most respects is considered a model law.

Await Oklahoma Decision

OKLAHOMA CITY, March 12.—Both plaintiff and defendant moved for directed verdict in the Oklahoma tax case against the Modern Woodmen before District Judge Hill at Oklahoma City. He dismissed the jury on the ground only law points were in dispute. There is \$358,305 back tax at issue. Decision is expected March 13. The case against the Maccabees was scheduled to be heard in district court at Oklahoma City this week.

FORTIETH ANNIVERSARY

● Backed by forty years of service and progress and facing another era of achievement.

SUPREME FOREST WOODMEN CIRCLE Omaha, Nebr.

A legal reserve, fraternal benefit society which insures women and children

Dora Alexander Talley
National President

Mamie E. Long
National Secretary

Much Human Service Is Given

Maccabees Program of Membership Help and Relief Work Given; Annual Statement Data

Details of the public welfare and beneficial work done by fraternal societies are of especial interest now in view of the determined efforts being made in several states to tax the societies on the theory they are virtually life insurance companies selling policies on a competitive basis. Officials of the Maccabees of Detroit present a picture of these additional functions of societies over and above the life insurance protection afforded.

The Maccabees have many activities, with a broad scope of human service. For over a half century the funds designated for relief purposes have been used throughout the United States and Canada. Representatives have been sent to the scenes of all major catastrophes, such as fires, floods and earthquakes, and have distributed many thousands of dollars among sufferers. In addition to assisting individual members of the order during these calamities, funds have been turned over to the Red Cross and similar relief organizations.

Maintains Home for Men

The Chatham Home for men or men and their wives is maintained by the Maccabees near Chatham, Pa. It is equipped in most modern manner and is a pleasant resting place for elderly members in their declining years. There are 400 acres of fertile soil, tilled with modern equipment and productive annually of thousands of bushels of grain, vegetables and fruits.

The Frances E. Burns Home, Alma, Mich., provides a haven for many women of the Maccabees who are spending their later years there. It has spacious flower gardens, towering shade trees, and every effort is made to provide contentment for members. In these homes the full force of the fraternal connection is realized.

Much Assistance Given

Each year thousands of dollars are spent by the Maccabees to assist members in maintaining their protection in force, and in addition, each month more than 600 checks are mailed to needy aged members who are enabled to remain among relatives and friends. Younger members are assisted in recovering lost health. Hundreds of serious surgical operations are performed in Maccabees' beds.

Another large part of the program is the assistance given locally by the lodges. It has been estimated that at one time or another one member out of eight has been thus assisted. This relief has been in the form of food, clothing, fuel and payment of rates, and has been granted when the member most needed assistance. Total cash assistance granted by the Maccabees amounted to \$1,288,177 as of Dec. 31.

Annual Figures Given

The Maccabees' annual statement shows assets \$46,264,797, protection in force \$178,155,738 and benefits paid since organization \$214,739,235. The assets do not include \$535,312 additional in assets of the Home & Relief Association.

Government and municipal bonds total \$21,078,486, real estate first mortgages \$9,110,141, real estate \$8,571,944, certificate loans \$5,321,269, cash \$727,429, and in course of collection and other assets \$1,455,515.

Reserves include: Legal reserve \$40,928,513, claims payable in instalments \$205,710, mortality fluctuations and investment contingencies \$950,779, retirement \$262,486, 1936 refunds and refunds left to accumulate \$443,846, current claims \$326,067, miscellaneous liabilities

\$265,759. Unassigned funds are: Life benefit \$851,825, sickness and accident \$1,058,192, relief \$610,518 and other departments \$361,088.

New members admitted totaled 50,918, protection written \$32,910,100, benefits paid \$5,833,323, refunds to members \$371,741, interest and rents \$2,454,898.

Total benefits paid since organization are: Death \$176,668,163, disability \$13,701,159, cash surrender values \$11,497,579, refunds \$8,183,551, sickness and accident \$3,400,603, and relief \$1,288,177.

Assets Show Large Increase

Assets of the Woodmen of the World, Denver, have increased \$5,026,205 in the last five years. The society, which will be 46 years old June 6, has \$14,271,463 assets. The statement indicates liquid, and sound financial condition. State, county, municipal, road and school district bonds, conservatively valued on the commissioners' basis, amounted to \$11,452,340, cash \$462,208 and government

securities \$354,608. Legal reserve was \$12,106,048. No real estate mortgages, railroad, utility or industrial stocks or bonds are carried.

Since organization in 1891, the society has paid to beneficiaries \$75,854,678. President Peter F. Gilroy is also president of the National Fraternal Congress.

Manager Shearer Dies

J. S. Shearer, Oklahoma state manager Modern Woodmen, died at his home in Guthrie at the age of 78. For 30 years he was head of the Modern Woodmen in Oklahoma, going to Guthrie in 1889 from Mineola, Kan.

Makes a Good Showing

The Aid Association for Lutherans with head office at Appleton, Wis., operates in the United States and Canada strictly within the various synods of the Lutheran synodical conference. It is one of the important fraternal oper-

The A. O. U. W. of North Dakota

Writes
All Forms of Modern Life Insurance Contracts

ORDINARY LIFE
LIMITED PAY
ENDOWMENTS
FAMILY INCOME
JUNIOR INSURANCE
DOUBLE INDEMNITY

Non-cancellable Sickness and Accident Insurance.
Operating on a Legal Reserve Basis

Home Office - Fargo, North Dakota

BRADLEY C. MARKS
Grand Master Workman

E. J. MOORE
Grand Recorder

A Leader - Not A Follower

Field Representatives Are Human. They Like to Know They Are Associated with a Company That Is Up-to-Date.

On January 1, 1936, we issued a Complete NEW LINE OF POLICIES. American Experience Table of Mortality—3% Interest Basis—(Now Used by Leading Insurance Companies).

You will be Interested in Our Literature.

Write

Equitable Reserve Association

NORTON J. WILLIAMS, Vice President

Neenah, Wisconsin

ating on a legal reserve basis and makes an excellent financial statement. For instance, its bonds amount to \$10,748,628, mortgages \$5,169,050, premium loans \$1,424,301, cash \$167,334, legal reserve \$16,129,157, net surplus \$1,538,830. It sets aside \$500,407 to meet possible depreciation of assets or excess mortality.

Fraternal Plan Tax Fight

Special Committee of N. F. C. Plans Campaign to Put Candidates for Public Office on Record

Fraternal societies which are members of the National Fraternal Congress, Chicago, will resist the efforts of many states to collect premium taxes and license fees by a nation-wide campaign to place candidates for public office on record in regard to this issue, it was decided at a meeting of a special committee of five held in Chicago.

Mrs. Dora Alexander Talley, president Woodmen Circle and president of the Presidents' Section of the N. F. C., was unable to attend but was presented by James A. Blaha of her society. S. H. Hadley, president Protected Home Circle, Sharon, Pa., and vice-president of the congress, presided. Others attending were Mrs. Bina West Miller, president Woman's Benefit Association; E. W. Thompson, commander of the Macabees, Detroit; J. M. Kirkpatrick, president Security Benefit Association, Topeka, Kan., and F. F. Farrell, executive secretary-manager N. F. C.

Detailed plans for the campaign were discussed at the meeting. The work will be done through societies in the various states and the state fraternal congresses. The fraternal societies in the past have demonstrated that in the cooperative effort of societies and their members they have a powerful weapon against adverse legislation. They defeated the Missouri insurance code in the last legislative session by flooding legislators with over 100,000 letters, telegrams and telephone calls. The solons listen to this kind of an argument, for it means votes that might defeat them at the next election. The fraternal seem to be able through their close contacts with members to get their active cooperation, which old line companies have not succeeded in doing.

There were some societies that felt taxation was inevitable and the best thing to do was to make a bargain with state officials to pay a reasonable tax in future in return for cessation of the efforts to tax the societies retroactively during their entire period of operation in the various states.

Opposed to Any Tax

However, this proposal was voted down and the determined stand taken to oppose any tax on the basis on which fraternal have been exempted heretofore, that they have many public welfare and relief activities which classify them as benevolent organizations operated not for profit.

A committee headed by George R. Allen, president Standard Life, Lawrence, Kan., is canvassing the possibilities of securing legislation to place a three-year or so limitation on retroactive application of any tax against the fraternal.

Group Meets in Madison, Wis.

The Fraternal Underwriters' Association of Madison, Wis., held a monthly luncheon meeting there. N. J. Williams, vice-president Equitable Reserve, Neenah, Wis., spoke on essentials of life insurance selling. Mrs. Small, state juvenile supervisor Royal Neighbors, spoke on junior supervision.

Missouri Case Postponed

Judge Reeves of the federal district court at Kansas City postponed till April 20 hearing on motion of attorneys for Superintendent O'Malley to remand

the fraternal tax cases to state court. The suits are to recover more than \$5,000,000 premium taxes from societies.

John F. Schoettler, 75, one of the original incorporators of the Aid Association for Lutherans of Appleton, Wis., died after a long illness. He had been a director since 1902.

MANAGERS ASSOCIATION

To Honor Reem at Detroit

Guy A. Reem, general agent State Mutual Life, Detroit, and president Associated Life General Agents and Managers, will be honored by his associates and their wives at a formal president's ball there March 20. Hugh C. White, general agent Connecticut Mutual, heads the committee on arrangements.

Hear Motschenbacher, Schriver

The Life Insurance Managers Association of Los Angeles held a luncheon meeting with President J. H. Cowles, Provident Mutual, as chairman. V. T. Motschenbacher, branch manager Sun Life of Canada, San Francisco, discussed agency building, explaining the methods he had found effective in securing the most successful and efficient type of agents. L. O. Schriver, president National Association of Life Underwriters and Peoria, Ill., general agent of the Aetna Life, also discussed agency management, with respect particularly to the building of a successful agency organization.

Honor Retiring President

O. D. Douglas, Lincoln National Life, entertained the San Antonio Life Managers Club at his ranch home in honor of the retiring club president, B. A. Wiedermann, Union Central Life. A previous party planned in honor of Mr. Wiedermann, when he became president, had to go on without the presence of the honoree because of the fact that he was subjected to an appendectomy.

Winnipeg Managers Meeting

At the annual meeting of the Winnipeg Life Insurance Managers' Association O. P. Jones, president, reported. Short addresses were presented by J. E. Farnell, M. Millett and G. Dunmurt. The meeting was featured by a debate on the merits of the "rating" system in selecting new entrants to the insurance business. Affirmative upheld by N. A. MacMurphy, W. Banfield, negative by E. Cass and E. G. Pratheral.

H. R. Smith Agency Expands

HOUSTON, TEX., March 12.—The Houston agency of the Jefferson Standard Life, of which H. R. Smith is manager, has moved to new and larger quarters in the Gulf building, where it has been situated for some time. His is the third expansion of office space since Mr. Smith took charge in 1931. There are 29 agents under contract in 42 counties of the Gulf coast. The agency is 25 percent ahead in new paid premiums over the first two months of 1935. Paid business amounted to close to \$2,000,000 last year.

NEW YORK NEWS

TAYLOR NAMED COUNSEL

Superintendent Pink announces the appointment of Paul R. Taylor of Rochester as counsel of the New York insurance department to succeed Robert N. Rose, recently resigned. Mr. Taylor is a former member of the state assembly. Prior to his term in the legislature he was on the legal staff of the liquidation bureau of the insurance department. He has been practicing law

PROVIDENT LIFE, BISMARCK, N. D.

PRODUCERS: (1) E. H. Helgeson, Redwood Falls, Minn.; (2) G. R. Thompson, Bismarck, N. D.; (3) H. W. Taylor, Jamestown, N. D.

PROVIDENT MUTUAL LIFE

PRODUCERS: (1) W. L. Mason, Philadelphia; (2) C. Vivian Anderson, Cincinnati; (3) Charles Selig, New York, N. Y.; (4) E. A. Sawin, Philadelphia; (5) O. W. Gaines, Worcester, Mass.; (6) Henry Sonneborn, Jr., Philadelphia; (7) R. S. Babcock, Los Angeles; (8) W. T. Smith, Philadelphia; (9) C. M. Frey, Philadelphia; (10) H. J. Tiedeck, Philadelphia. AGENCIES: (1) Paul Loder, Philadelphia; (2) Clancy D. Connell, New York City; (3) James H. Cowles, Los Angeles; (4) Nathaniel Reese, Detroit; (5) Louis F. Paret, Philadelphia; (6) E. S. Albritton, Chicago; (7) John S. Tunmore, New York City; (8) Willard K. Wise, Reading, Pa.; (9) J. Henry Hooper, Baltimore; (10) Steacy E. Webster, Pittsburgh. STATES: (1) Penn., \$16,085,000; (2) New York, \$11,747,000; (3) Cal., \$5,469,000; (4) Ill., \$4,849,000; (5) New Jersey, \$4,732,000; (6) Ohio, \$3,790,000; (7) Mich., \$3,646,000; (8) Mass., \$2,656,000; (9) Minn., \$2,183,000; (10) Maryland, \$2,076,000.

PRUDENTIAL

PRODUCERS (brokers and salaried asst. managers and managers not included): (1) J. H. Kaplove, Weehawken, N. J.; (2) The Frankel Bros., Cleveland; (3) Robison Brown, Jr., Columbus, Ga.; (4) F. W. Fooshe, St. Louis; (5) W. J. Bernstein, Greensboro, N. C.; (6) Samuro Ichinose, Kaloa Kawai, T. of H.; (7) R. W. Cohn, New York; (8) M. W. Hickox, Los Angeles; (9) Theo. Heck, Cincinnati; (10) R. F. Widdfield, Wahiawa, Oahu, T. of H. AGENCIES: (1) Stuyvesant, New York; (2) New York, New York; (3) Downtown, New York; (4) Times Square, New York; (5) La Salle, Chicago; (6) Newark, Newark, N. J.; (7) Manhattan, New York; (8) Knickerbocker, New York; (9) Detroit, Detroit; (10) Jacksonville, Jacksonville, Fla.

RICHMOND BENEFICIAL OF VA.

PRODUCERS (company operates only in Va. and D. of C.): (1) J. W. Williams, Blackstone; (2) Washington Owens, Richmond; (3) J. H. Balwin, Danville; (4) Andrew Maybs, Orange; (5) Rix Bolden, Roanoke; (6) R. C. Coleman, Roanoke; (7) S. E. Blake, Petersburg. AGENCIES: (1) H. C. Johnson, Roanoke; (2) R. E. Smith, Petersburg; (3) E. G. Adams, Danville; (4) Wm. H. Talb, Cape Charles; (5) J. C. White, Suffolk; (6) J. E. Harris, Richmond.

ST. LOUIS MUTUAL LIFE

PRODUCERS: (1) T. Yeager, Carl Junction, Mo., \$164,500; (2) M. McCallister, Washington, Mo., \$156,500; (3) R. McFarland, Fredericktown, Mo., \$136,000; (4) L. Kinsella, Taylorville, Ill., \$134,500; (5) H. Kronsbein, St. Louis, \$115,000. AGENCIES: (1) T. Yeager, Carl Junction, Mo.; (2) M. McCallister, Washington, Mo.; (3) R. McFarland, Fredericktown, Mo.; (4) L. Kinsella, Taylorville, Ill.; (5) H. Kronsbein, St. Louis. STATES: (1) Missouri, (2) Illinois, (3) Kansas.

SEABOARD LIFE, TEXAS

PRODUCERS (all in Texas): (1) C. W. Jander, Houston, \$285,390; (2) H. E. Burgess, College Station, \$243,541; (3) Joe Smith, Abilene, \$228,240; (4) Roland Brice, Goose Creek, \$206,656; (5) F. H. Harrison, San Benito, \$180,271; (6) I. P. Russell, Nacogdoches, \$171,207; (7) E. H.

in Rochester. He is a graduate of Hamilton College and Yale.

HOLMES OPENS NEW AGENCY

The Connecticut General Life has appointed Philip B. Holmes manager of its new branch office to be opened April 1 in the Pershing Square building, 100 E. 42nd street, New York City. For the past year he has been with the Murrell Agency of the Connecticut General at 225 Broadway as assistant manager. Mr. Holmes entered life insurance nine years ago.

COMPANY SALES LEADERS IN 1935 GIVEN

(CONTINUED FROM PAGE 14)

Puryear, Temple, \$160,815; (8) E. R. Wright, Huntsville, \$151,325; (9) E. O. Anglin, Harlingen, \$145,750; (10) Lee Willenborg, Wichita Falls, \$127,910. AGENCIES: (1) Houston, \$1,675,349; (2) Nacogdoches, \$840,747; (3) College Station, \$751,266.

SOUTHERN LIFE & HEALTH, ALA.

PRODUCERS: (1) J. W. Poole, Montgomery, Ala.; (2) W. J. Burke, Pensacola, Fla.; (3) F. Keltner, Birmingham, Ala. AGENCIES: (1) W. E. B. Hagood, Gadsden, Ala.; (2) A. C. Sawyer, Mobile, Ala.; (3) R. C. Redwine, Miami, Fla.

STATE MUTUAL, MASS.

PRODUCERS: (1) Roy E. Stringer, Detroit; (2) Ralph E. Morrison, Boston; (3) Roy A. Lathrop, Minneapolis; (4) George E. Griggs, New York; (5) Raymond W. Frank, Chicago; (6) Charles F. Ernst, St. Louis; (7) Felix O. Janke, New York; (8) Leslie R. Schaffler, Chicago; (9) Samuel H. Cohn, Cleveland; (10) Otto Shurrocks, Boston. AGENCIES: (1) Frank W. Pennell, New York; (2) Joseph B. Clark, Boston; (3) W. Harry Jackson, Cleveland; (4) Joe C. Caperton, Chicago; (5) George F. Robent, Guyan; (6) F. A. G. Merrill, Buffalo; (7) Guy A. Reem, Detroit; (8) W. H. Van Sicker, St. Louis; (9) Benjamin B. Snow, Worcester. STATES: (1) N. Y., (2) Mass., (3) Ohio, (4) Ill., (5) Mich., (6) Mo., (7) Pa., (8) Minn., (9) N. J., (10) Cal.

SUN LIFE, MD.

PRODUCERS: (1) David Coffman, Cleveland 1; (2) Charles Riley, Philadelphia 1; (3) Samuel Jarrows, Cleveland 1; (4) Samuel Young, Baltimore 2; (5) Maurice Beerman, Baltimore 2; (6) Stanley Chanten, Cleveland 1; (7) Asst. Mgr. John Rummel (personal), Philadelphia 4; (8) George Cissel, Washington 1; (9) William Mattingley, Washington 1; (10) Asst. Alfred LaForest (personal), Washington 1. AGENCIES: (1) Charles Massey, Philadelphia 1.

TEXAS PRUDENTIAL

PRODUCERS: (1) L. R. Johnson, Corpus Christi, Tex., \$400,000; (2) Jack H. Goode, Oklahoma City, \$285,000; (3) C. Ray Howard, Cleburne, Tex., \$210,000. AGENCIES: (1) Jack H. Goode, Oklahoma City, \$1,200,000; (2) J. B. King, Dallas, \$750,000; (3) C. R. Howard, Cleburne, \$525,000.

UNION CENTRAL LIFE

PRODUCERS: (1) W. B. Monroe, New Orleans, \$1,505,822; (2) Herman Stark, New York, \$1,000,037; (3) Lester A. Rosen, New York, \$890,436; (4) R. E. Harrison, Cincinnati, \$787,943; (5) A. A. Ebenstein, Los Angeles, \$763,330; (6) H. Ward, New York, \$722,080; (7) R. W. Clevenger, Philadelphia, \$644,100; (8) J. R. Riha, Omaha, \$620,746; (9) F. W. Ritchie, New York, \$611,899; (10) M. C. Kramer, Dallas, \$599,907. AGENCIES: (1) C. B. Knight, Inc., New York, \$27,415,427; (2) J. P. Devine, Cincinnati, \$225,525; (3) H. A. Zischke, Chicago, \$369,447; (4) Harry Newman, Philadelphia, \$356,194; (5) T. H. Daniel, Atlanta, \$439,998; (6) M. S. Trueblood, Los Angeles, \$407,260; (7) J. W. Smither, New Orleans, \$401,737; (8) J. C. Benson, Kansas City, \$382,423; (9) W. L. McPheeters, Cleveland, \$350,708; (10) B. A. Wiedermann, San Antonio, \$318,154.

UNION COOPERATIVE, D. C.

PRODUCERS: (1) J. L. Guswiler, Chicago, \$155,800; (2) J. V. R. Blackston, Washington, D. C., \$110,000; (3) A. R. Johnson, Pittsburgh, \$92,000. AGENCIES: (1) Home Office Agency, Washington, D. C., \$260,000; (2) Federation Insurance Agency, St. Paul, Minn., \$212,750; (3) Federation Agency, Chicago, \$210,150. STATES: (1) Minnesota, \$308,490; (2) D. C., \$290,141; (3) Pennsylvania, \$273,500.

VOLUNTEER STATE LIFE

Producers: (1) W. H. Stevenson, Florence, S. C., \$219,297; (2) J. W. Bishop, Chattanooga, Tenn., \$210,915; (3) J. Wylie King, San Antonio, Tex., \$199,757. AGENCIES: (1) J. W. Bishop, Chattanooga, Tenn., \$731,812; (2) C. T. Praise, Christian, S. C., \$727,430; (3) H. M. Piper, Bristol, Tenn., \$430,174. STATES: (1) Texas, \$2,144,382; (2) Tennessee, \$1,972,895; (3) South Carolina, \$1,041,314.

SALES IDEAS AND SUGGESTIONS

Means of Meeting Inflation Objection Suggested

NEW YORK, March 12.—The wealthy or well-to-do man who tries to beat inflation by investing in commodities, real estate, or stocks will lose so much of his inflation profit through heavy income taxes—assuming his speculations to be successful—that it is a hopeless method of trying to hedge, John D. Howell, associate general agent, Penn Mutual Life, in New York City, told the New York City Life Underwriters Association at its educational lectures.

After stating there are only 96 objections that a prospect can raise, Mr. Howell offered to answer any objections raised by the audience. The inflation question was one of the first to be brought up.

Never Had Assurance What Dollar Could Buy

"You're afraid," he said, "of what the purchasing power of the dollar will be in a few years, aren't you? Have you ever had any assurance of what the purchasing power of the dollar will be at any time? Is a dollar worth as much to you as it was last year? Does it buy as much for you as it did in 1919? May I say to you that the dollar buys a great deal more for you than it did in 1919. Do you think the dollar will change more than it changed from 1919 to 1936? How much do you think it will change? "In other words you are dealing with something that you really can't set up much 'mind' about. But you're pretty certain it's going to buy less, aren't you? What are you going to do with the dollars you have. Put them in commodities? The price of commodities goes up and then you sell them.

Income Taxes on Profit Should Be Considered

"What will the income taxes be on your profit? You aren't really able to overcome inflation except on the net you can retain out of your profit, isn't that so? Any man making over \$100,000 who gives you that philosophy is licked before he starts. Ask him what he is going to do to overcome this inflation he fears. He says, 'I'm going to buy real estate, commodities, ownerships—meaning stocks.' So he buys a thousand dollars worth of ownerships. We have quite an inflation and three years from now he sells this \$1,000 worth of stuff for \$4,000, because he's got to sell it in order to buy something. He can't buy real estate and then pay inflated prices for food, can he? And if we have the kind of inflation these people all fear, it's going to take a lot of these dollars he's hedged with in order to buy what he needs.

"Now, in order to sell, he's got to have a profit, if his hedge has been successful and if his income is over \$100,000 he can have about 30 cents of his profit on every dollar and that's all! Seventy percent of his inflation profit will have to be paid in income taxes. So he can't protect himself, can he?

Group of Policyholders Large Political Factor

"But in the institution we represent, there are 64,000,000 members. If we have any inflation in this country, it will be political. Certainly it is not a necessity. No nation has ever gone on inflation except one which has a large external debt and a continuing unfavorable trade balance and we have never had either of those things. And since

we went off the gold standard, instead of our dollar being worth less, we have over eleven billion dollars gold reserves today against seven billions in currency circulation. So therefore, this is all brought about politically, isn't it?

"By yourself, you can't do anything. But if you'll accept my advice you'll come on in and join my crowd. There are 64,000,000 of us. There's an association called the Association of Life Insurance Presidents. Those life insurance presidents represent all those 64,000,000 policyholders. If politically things reach the point where it looks as though the values of those 64,000,000 policyholders are about to be vitiated, don't you think that those life insurance presidents represent a more powerful political factor than any other political factor in the country today? Come on in and join in collective protection."

Agent Should Memorize Answers to Objections

Paying tribute to the pioneering done by J. Elliott Hall, former general agent Penn Mutual Life in New York City, in getting together all the possible objections and finding the best answers to them, Mr. Howell said his own answers were adaptations of Mr. Hall's work. He emphasized the necessity of having answers completely memorized but warned that they must not be allowed to become stereotyped in the agent's mind and that high-sounding reasons

will make little impression on the prospect unless they are accompanied by earnestness and sincerity.

"The danger of so-called canned activity of any kind is that it becomes 'canned' to ourselves. That's dangerous. If our work is honest what actually happens is that the canned material which was someone else's becomes very definitely and earnestly a part of you, so that it's no longer divorced from you but you use it just as freely and easily as if it had been yours from the beginning."

How to Handle Three Kinds of Objections

There are three kinds of objections, said Mr. Howell. First, the "put-off," which can sometimes be ignored or dismissed with a shrug or a smile. Second is the serious excuse, which requires more serious treatment. Third, and the one which must be mastered, is the prospect's fundamental objection, and it is important to know which type of objection one is dealing with.

Some kinds of objections can only be met head-on, as when a prospect questions the integrity of life insurance, the agent's company, or the agent himself. Others can be met with a "Yes, but—" answer, while the most effective of all is the "boomerang," in which the prospect's objection is turned into the most powerful reason why he should buy.

Following are some of the objections shot at Mr. Howell by members of the audience, and his answers.

"I am not certain about this coming season. I'm not so sure about my job."

"Mr. Jones, were you sure of your job last year? You've been pretty sure of your job right straight along, haven't you? But now because of general con-

(CONTINUED ON NEXT PAGE)

Economist, Commissioner and Sales Stars in Congress

Sales ideas, answers to perplexing questions under present economic conditions, an outline of functions of the insurance department, explanation of social security legislation in its relation to life insurance, and inspirational material featured the northern California sales congress held in San Francisco under auspices of the San Francisco and East Bay life underwriters associations.

Attendance was more than 1,000. Commissioner Carpenter opened the meeting with timely observations concerning agents, the life insurance business and functions of his department, telling of problems which the department met in the last year and his work in strengthening laws for protection of policyholders and companies.

Commissioner Says Life Insurance Is Most Sacred Obligation

"Life insurance is and should be the most sacred of all insurance obligations," he said. "There is no finer sentiment in the hearts of men, than that of providing for their loved ones against a time when they can no longer do so. Of all countries in the world none depends more than America for its future as a great democracy upon its family life and the perpetuation of these ideals. They are the very foundation of our republic." He said that no influence or argument could sway him from a determined course to eliminate individuals and companies preying upon the public. Retiring from active insurance work after 24 years to become commissioner, Mr. Carpenter said, he had an understanding of the problems of insurance

people, and he bespoke cooperation with the department. "There is nothing more important to sales progress in insurance than an honest and fearless administration of the insurance laws," he said.

Economist Tells Factors Safeguarding Country

P. F. Cadman, consulting economist, spoke on "The Financial Foundations of Democracy." He took up the questions, "How do I know life insurance has any assurance against inflation?" and "What assurance have I when I buy life insurance that my money will be any good?" He demonstrates the stability of life insurance and its important place in the economic set-up. There are four or five basic factors in any reasonable answer to questions on inflation. One that the country is historically a democracy, and never has been nor will be ruled by an autocratic and spendthrift monarchy. It has produced its own wealth through 250 years, 150 of which have been as a national organization.

Creditor Class Dominance Exerted by Life Insurance

The third factor is that the country has nearly 100 years of experience with corporate enterprise, with wealth going into these organized enterprises. The fourth factor is that there has never been a country in history that has as many property owners as the United States. The 67,000,000 life policyholders have a stake in the country. The debtor class would like to see inflation because they could settle their debt by less value than

Live Presentation Will Increase Life Production

James A. Preston, sales manager Columbus Mutual Life, Columbus, O., speaking to the San Antonio Life Underwriters Association on "Making Ourselves More Interesting Salesmen," said that the thing which makes the selling of life insurance difficult is a drab and uninteresting presentation. He cited a cartoon which pictured the insurance salesman in his approach and in his sudden exit by way of the stairway by benefit of the boot of the prospect. He reasoned that while this cartoon, carried in a funny paper, was not funny to him, it must be amusing to the public and that it must portray a popular conception of the life agent. He argued that if this is the popular conception, insurance agents need to do something to change themselves from bores into interesting human beings with an interesting story.

Get Away from Trite Terms

He stressed the thought that these uninteresting agents are interesting in their social contacts but that they become technical and dry in their presentation of life insurance. In this connection, he urged that agents get away from such terms as extended insurance, paid-up insurance and cash surrender values, and that they use every-day English which is connected with the line of work in which the prospect is engaged. He also urged that the agents let the prospect do more talking and thus be allowed to reveal his interests and his desires so that the presentation may be tied into the plans and desires of the prospect whether that be an education for his son or daughter, gifts at certain periods or other things.

He emphasized the thought that after all a man is just a "dad," and that his interest is centered in his home and the individual members of the family. Here he emphasized the thought that a man thinks of his family as Johnnie and Mary and not as the Smith family, and he said the sales appeal must be based on this principle. He gave an illustration of sales appeal with the story of a newsboy who was selling a local paper merely as a newspaper and making few sales and who through suggestion was induced to present his paper as one telling an interesting story which people were eager to read, with the result that his sales increased with great rapidity.

they borrowed, however, because of the millions of holders of life insurance and bank depositors, the creditor class outnumbered the debtor class.

"Life insurance," he said, "laid the greatest stone of stability that now exists in this government." The American people will not allow the country to be sold out to any "crack-brain" method of producing and distributing wealth. The United States economy will not be destroyed by machinery or power, but will endure because of the common sense of the people who support it.

Discussion of Needs Conducted by Hartsig

Speaking on "Points of Interest for the Life Insurance Agent Today," Reid Hartsig, assistant supervisor agency field service, Travelers, outlined fundamental needs of the average citizen and how they may be met through life insurance. He urged his audience to refresh their memories from time to time on what they have to sell, on their prospects' wants and how to convince the prospect life insurance fills these needs.

J. L. Taylor, general agent Connecticut Mutual, Oakland, president East Bay Association, presided in the morning. There

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was a sales demonstration by C. P. Brady and G. L. Fisher, Equitable of New York, Los Angeles.

The afternoon session opened with an inspirational address by Grant Taggart, Cowley, Wyo., vice-president Million Dollar Round Table and leading producer California-Western States Life, on "Principles Which Make Insurance Men." J. M. Hamill, Equitable of New York, president San Francisco association, presided. Mr. Taggart urged full time life insurance work and complete concentration. He said he spent 90 percent of his time servicing people, but in January he wrote an application for every working day, totaling \$155,000. He urged the underwriters not to be afraid to contact outstanding successful people. Bad mental attitude can be corrected by hard work, he said. He advised against concentrating on big cases.

Social Security Most Beneficial, Is Opinion

Following a symposium on social security presented by Will Merryman, San Francisco Chamber of Commerce, and Desmond Kelly, Equitable Life of New York, Mr. Kelly presented thoughts on effects of the legislation. In his opinion, social security is one of the most beneficial things that has happened in many years so far as life agents are concerned, because it can be capitalized upon. A nationwide discussion of social security, he said, will stimulate interest in security for old age. The agent can call on the person who is eligible for the government pension and offer to calculate the pension to which he would be entitled at age 65. It is necessary to know the age and income of the prospect, and other important data. "There will," he said, "be no barrier between the prospect and the agent in an interview of this kind because the prospect will be receiving valuable information. Agents who use the social security act in this way will find themselves turning every interview into an application for life insurance."

Borden and Bussey Sales Skit Proves Hit

"Ho-Hum—So-What," the Borden and Bussey sales demonstration of the National Association of Life Underwriters, presented verbatim by Walter Tip-ton and Lee Tallman, California-Western States Life, Fresno, was applauded. The congress closed with an address by L. O. Schriver, president National association and Peoria, Ill., general agent Aetna Life, on "A Century of Progress." He said life insurance is the greatest economic idea of all times, but in the years to come, it will be no bigger and better than the vision, genius and idealism of agents and officials.

H. V. Montgomery, general agent State Mutual, San Francisco, was general chairman of the congress, with M. B. Marks, Travelers, Oakland, assistant chairman. Vice-chairmen were: A. E. Flamer, Aetna Life; H. D. Willson, life insurance broker, and Paul Webber, assistant manager Lincoln National Life, San Francisco.

Following the meeting a number of the speakers left for Los Angeles to appear on the sales congress there. Among these were Commissioner Carpenter and Messrs. Schriver and Taggart.

Means of Meeting Inflation Objections Are Suggested**(CONT'D FROM PRECEDING PAGE)**

ditions you fear that your job may not be here. Do you think it any more likely that your job won't be here than that you won't be here? You've never been guaranteed a job in advance, have you? And your wife and children haven't any guarantee except what you provide for them yourself, isn't that true? As far as the gamble is concerned, seriously which would you rather do—have them have to gamble regardless of whether you have your job or not, or you do a little gambling only on the

proposition that you might not have your job? Which would you rather do?

"If it's a question of paying the premium, you can pay the premium now, can't you? Then it's gamble right now, is it? But if you don't do it, it's a gamble right now for your family, isn't it?"

Objection: "I've just got a raise and I want to get caught up on things I've been waiting three or four years to do before I take on any more obligations."

"I can appreciate that. It does feel good to have a raise come, anyway, doesn't it? These new obligations you speak of—is that really the way you feel about this program? As a new obligation? I'd like to get squared around. In what order are you going to take care of those obligations, Mr. Jones? Seriously if you want to go ahead with this, it's a question of putting these creditors and things first, isn't it? I really sincerely admire you, of course, for wanting to take care of your creditors. But let me ask you, who is your first creditor? Do you mind if I tell you who my first creditor is? A girl who came out of her father's house 22 years ago and came over to live with me. Do you believe in taking care of your first creditors first?"

Objection: "I've been buying insurance for 10 years with the same man. Why should I do business with you?"

"Thank you very much for telling me that. I hope I have a great many clients who have the same loyalty toward me. I don't want to take that loyalty away from any man unless there's a reason for it. Let me ask you this, however: do you really think it more important to stay with that other man without giving me a chance to go into your affairs or to give me a chance to go into your affairs and see whether an improvement can be effected or not? I ask you that question because if you don't give me the chance, then things have to stay as they are, don't they? But you have only your opinion to tell you whether your affairs are in proper shape. So let's go into your affairs and see what we can get done."

Lincoln National Producers

Twelve representatives of the Lincoln National Life celebrate anniversaries in the company's consecutive weekly production club this month. L. R. Lay, general agent in El Paso, Tex., leads the group with 11 years to his credit; M. W. Power, district agent in Salinas, Cal., and G. L. Shoup, district agent in Bronson, Mich., each complete 10 years. Others who celebrate anniversaries are: W. A. Baier, Williamsport, Pa., five years; Mrs. Rose B. Krohngold, Cleveland Heights, O., and Mrs. B. Ruth Loehr, Cleveland, four years; G. E. Bennett, Cleveland, and L. M. Gregory, Shreveport, La., two years; and District Agent Ray Saunders, Port Arthur, Tex.; Mrs. Sophie B. Reich, Cleveland; District Agent J. F. Combes, Kinzua, Ore., and District Agent W. A. Patmore, Evansville, Ind., one year each.

Insurance Agency Can Be an All Star Team

J. P. Devine, home office manager of the Union Central Life at Cincinnati, who died last week, was essentially an agency builder and made a brilliant record. He had been railroading nine years in the southwest and then became an agent of the Northwestern Mutual at Nashville in 1904. Eleven years later he returned to San Antonio, his birthplace, joining the Union Central as an agent. In 1916, on the death of the general agent, he became acting head of the office. A year later he became the general agent and started the work of building a great agency. It developed from a production plant of \$1,000,000 to \$6,500,000 and from \$3,600,000 to \$41,000,000 of business in force.

Developed Topnotchers

He took as a fundamental principle in agency building that "A life insurance agency like a football team is made up of stars." Mr. Devine felt that given the stimulative power of inspired leadership, any agency can be made up of topnotch producers. Many leading men were developed in his agency. B. A. Wiedermann, who is now manager at San Antonio, was developed by Mr. Devine. B. C. Sasse, head of the Corpus Christi agency, was a personal producer under Mr. Devine at San Antonio.

In 1930, Mr. Devine took charge of the Cincinnati general agency, reaching an all time high of \$15,000,000 in one year, being second only to New York City in volume.

W. H. Hecht and J. R. Burchfield have opened a new insurance and real estate office in the Wyckoff building in Celina. Mr. Hecht is one of the honor producers of the Ohio State Life. Mr. Burchfield, who went to Celina from Kentucky, is a real estate broker and for the last year has been associated with Mr. Hecht.

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